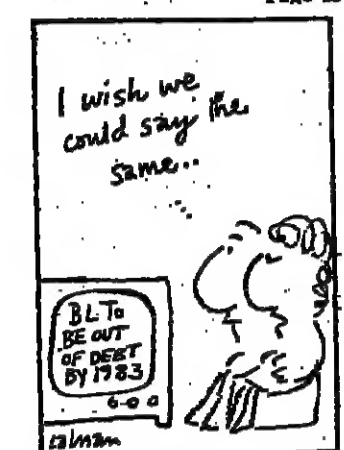


Irish to face poll after Budget blow

The Irish Republic's election, long delayed, is now being held in a division over Budget proposals last night. Immediately after the vote, Dr. Garret FitzGerald, the Prime Minister, said he would ask Dr. Patrick Hillery, the President, to dissolve Parliament and call an election.

BL 'on road to recovery'

British Leyland is well on the road to recovery, according to Sir Michael Edwards, the chairman. He told MPs yesterday that the loss-making company, which has had £500m of state funds pumped into it, would make a trading profit next year and from then on, would not need any further injections of taxpayers' money.



Give-and-take Co-op Bank

The Co-operative Bank, announcing the terms of its new Cheque and Save Interest-bearing current accounts, has asked holders to maintain an average credit balance of £180 a year to obtain free banking, otherwise an £18 annual service charge is incurred.

180 killed in rail crashes

At least 180 people were killed in all in rail crashes in India and Algeria. The Algerian crash, near Algiers, was the worst since independence.

Embryo banks planned

Dr Robert Edwards and Mr Patrick Steptoe, the Cambridge test tube baby pioneers, want to establish human embryo banks for use by infertile couples. The banks would contain frozen fertilized eggs.

Mugabe on one party state

Mr Robert Mugabe, Zimbabwe's Prime Minister, said in an interview with *The Times* that while he was for a one-party system he would not impose it illegally. He promised no blanket nationalization.

Bookies pay out on 141-1 bets

Bookmakers have been advised by their representative organisation to pay out on full 141-1 bets for the Kempton Park race on Saturday in which a betting "coup" was suspected.

Jobs non-debate

The Commons debate on the new unemployment figures failed to hold the attention of most MPs. Seconds after the evening speeches had ended, only about 12 Labour members and 15 Conservatives were in the House.

Fewer strikes

The number of working days lost through strikes last year was 4.2 million, less than a third of the average over the previous decade apart from 1975.

Hygena closes

Hygena, the kitchen furniture maker which last year lost over £10m, has stopped trading. Closure will mean the loss of 640 jobs at the Kirkby factory on Merseyside.

Leader page 13
Letters: On political strategy, from Mr Jim Lester, MP, and others; Home buying, from Mr M. R. Wolfe; Redemptive verse from Dr A. E. Hughes and others.
Leading article: Rail dispute: State of the Union; Rail and Growth.
Features: Page 12
Frank Pons on the hidden jobs: The future for Land's End; Ronald Butt on rape.
Horizons—radio
Reviews: page 14
Dr Colin Kratz, Ian Wells

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Features	12	Theatre	25
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Government's men behind the De Lorean bonus deal

By Anthony Evans and Edward Townsend

The two government-appointed directors on the board of De Lorean Motor Cars proposed and seconded a £600,000 bonus payments scheme for company executives. It was disclosed last night, hours before crisis talks between Mr James Prior, Secretary of State for Northern Ireland, and Mr John De Lorean in London.

The Ulster-based company has been trying to win financial support from the Export Credit Guarantee Department of between £50m and £55m, to help keep production going.

The bonus scheme, government sources said last night, had been advanced by the two directors last month "at a time when sales appeared to be buoyant and when the financial position of the company appeared to be improving."

Government embarrassment will be heightened by a written Commons reply last night, in which Mr Adams Butler, Minister of State for Northern Ireland, refused to say whether the government-nominated directors had voted for the scheme.

He told Mr Robert Crier, Labour MP, for Killybegs, that the bonuses have not been paid and earlier this month, in the light of the company's present difficulties, the board rescinded the proposal. The rescinding of the proposal was a matter of commercial confidentiality.

In fact, the government-nominated men, Mr Alex Fetherston and Mr James Sims, had only proposed and seconded the bonus payments scheme, they also proposed and seconded this month's motion to rescind.

The apparent attempt to cover up the role played by Mr Fetherston and Mr Sims is likely to be raised in Commons questions to Northern Ireland Ministers this afternoon, Mr Crier said.

Mr Sims, who is Secretary of State, said he is satisfied with the current voting rights of the government directors in the De Lorean Motor Company Ltd of Loughborough.

The two directors were nominated to the board of De Lorean by the Northern Ireland Development Agency, which, since last year, refused even to identify them. A spokesman said: "What we are attempting to do at the moment is protect our people from the press. They are busy people. We are not prepared to say who they are."

The spokesman refused to provide any justification for the scheme.

Conservative MPs and Ministers are expecting Sir Geoffrey Howe, the Chancellor of the Exchequer, to cut income tax across the board this coming April, with Budget measures which are likely to include a 25p week reduction in the tax for 21 million married taxpayers.

But he is also expected to offset the cost of this income tax bonus, in part, with an increase in duties which would be levied on a pint of beer, 7p on 20 cigarettes, 9p on a gallon of petrol, 12p on a bottle of wine and up to 60p on a bottle of spirits.

The Treasury has already revealed that it would cost the Exchequer £10.3m to restore the inflation-proofing of personal tax allowances, which was started by the Rooker-Wise Act, 1977.

Sir Geoffrey failed to maintain the Rooker-Wise tax link last year, putting an estimated £2,500,000 on the lower tax threshold, and the £2,000m that would have been otherwise lost for good.

But a restoration of inflation-proofing of income tax allowances is now so widely expected that a number of the Ministers attending this morning's meeting of the Cabinet called to discuss the balance of the Budget, already regard it as fundamental. It is a judgment accepted on both right and left wings of the Party.

Under amended provisions laid down in the Finance Act 1980, inflation would affect the main personal allowances, the higher rate threshold and the investment income surcharge threshold in line with the end-of-year retail price index of 12 per cent.

A married man's tax allowance would therefore go up by £250 from £2,145, an effective tax cut of £5 a week; a single person's allowance up by £170 from £1,375, a tax cut of £3.27 a week; married age allowance up by £330 from £2,895, a tax cut of £6.73 a week; and a tax cut of £1,320, a tax cut of £4.23 a week.

Indexation of the higher rate threshold, the 40p in the pound

Tories expect Howe to cut income tax

By Anthony Evans, Political Correspondent

The swiftness of Mr Haig's return to the region was seen as indicative of America's concern about the implications for the Camp David accord if no progress is made on the vexed issue of Palestinian autonomy. It was emphasised that these did not amount to an American blueprint for a solution.

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An injured miner being wheeled into Glasgow Royal Infirmary yesterday.

Palestine initiative by Haig

From Christopher Walker, Jerusalem, Jan 27

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Fears for miners injured in blast

From John Withrow, Glasgow

There was serious concern last night for at least seven of the 40 miners injured in a gas explosion which burned its way through a shaft 2,500ft underground yesterday.

Glasgow Royal Infirmary said seven of the men at the hospital were very badly burnt during the collapse. Five at Cardowan Colliery, near Glasgow, suffered burns to their faces, chest and legs. One man had a fractured skull and another a broken leg.

Dr Killock Anderson, the deputy medical officer, said some were in intensive care as a special bonus unit. "I expect early to say what will happen to them," he said. "But cases can go either way. Some have up to 30 per cent burns and that is quite a degree of burn."

"They were all as black as the ace of spades with coal dust when they arrived at the hospital and most were in great pain," he said. "The position of the methane gas occurred just before 5 am and the blast was heard some distance away in the small mining community of Stepps. Ambulances and a special rescue team were called to the pithead but it was more than an hour before the first injured man was brought to the surface."

At first it was thought that more than a dozen men had been trapped underground but it was later confirmed that the last miner was brought out two and a half hours after the incident.

The rescuers had to struggle two and a half miles down a 34ft high tunnel to reach the men. They were then carried back on stretchers or ladders down the tunnel for a thousand yards to the underground railway. Witnesses said the men emerged blackened and shocked, some being brought out on stretchers and others on their own feet.

Many had been wearing overalls or were working stripped to the waist. Families of the miners gathered outside the hospital to wait news of their loved ones. The rescue team was ordered by the lack of information and the confusion surrounding the accident.

Meanwhile the colliery was closed and an inquiry opened into the cause of the explosion.

The National Coal Board proposed last year that Cardowan Colliery, 35 years old, should be closed because it was uneconomical. But the union argued that with modern equipment the colliery could be productive for many more years.

Most of the 250,000 tons of coal mined each year goes to power stations. It is the only colliery in the Glasgow area and was described by one NCB official as "the last of the Mohicans."

Cardowan is also known as "the colliery of the future" because it is piped commercially to the Buchanan whisky distillery, a few hundred yards away. The NCB said the gas was not considered a risk in the proposed closure, but some miners said yesterday that there were frequently small explosions of the gas down the mine.

Cardowan was the colliery in 1960 caused the death of three men in a shaft 1,000ft underground.

Six weeks ago about 300 miners staged a strike to demand warmer clothing after it was found that the colliery was financially one of the biggest losers in Scotland and probably in the country.

The coal was often only three feet wide, much thinner than other Scottish seams. "It is very difficult to work," said one miner.

The mining has been a disaster about the high level of methane gas in the mine and it was considered perfectly safe, he said. Working conditions were approved by government inspectors.

But some miners reported that a gas explosion had occurred since the accident. Mr John Withrow, NCB Scotland regional manager, said that the explosion was a gas explosion and that the gas was not considered a risk in the proposed closure, but some miners said yesterday that there were frequently small explosions of the gas down the mine.

There is no social club on the moment. It is just that other events such as the disclosures in the Sun, have brought the problems to the attention of the media," the spokesman said.

Last year more than 14,000 members of the public were contacted or prosecuted for theft, travelling without a ticket and other offences.

Two a day face rail fraud charges

Two a day face rail fraud charges

By Michael Bailey, Transport Correspondent

An average of two passengers a day are prosecuted for offences such as theft and travelling without tickets, British Rail admitted yesterday. The figure is based on the 1981-82 period, but it is expected to be similar in 1982-83.

Glasgow for British Transport Police, prosecutions against railway employees for fraud are as follows:

Province	Total	Passenger	Employee
London	1,000	215,000	0.2
1979	901	215,000	0.2
1978	708	182,000	0.38
1977	622	182,000	0.34
1976	518	175,000	0.29

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Last year more than 14,000 members of the public were contacted or prosecuted for theft, travelling without a ticket and other offences.

Acas struggles in quest for peace

The Advisory Conciliation and Arbitration Service is struggling to keep its doors open in the face of a major inquiry into the railway system for the seventh year in a row.

But Acas officials were last night still sounding out British Rail management and leaders of the Associated Society of Locomotive Engineers and Firemen on the possibility of an acceptable form of investigation into pay and flexible working that is the basis of the dispute.

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Bodies of missing women found in Italian wood

From John Earle, Rome, Jan 27

The remains of two bodies found today near a cemetery at Fiumara, in the central Apennines about 80 miles north of Rome, were identified as those of Mrs Jeanette May and her Italian friend, Signora Gabriella Gaerini. Mrs May, the wife of a British business executive, and her friend were last seen on November 23, 1981. They were in the car because they were buying a holiday home.

The discovery was apparently made by two young men on shooting wild boar. Police have no immediate information on whether foul play was suspected.

The remains were found in a wood about 700 yards from a mountain lake. The police said there was little left except bones, but they were sure of the identification because their documents and two women's handbags were found near the bodies. Police said they were considering the possibility that the women have had an accident in the mountains. Lack of ransom note weakens earlier kidnapping theories.

August 8, 1981: Human hair samples are found at an abandoned cottage half a mile from the car. Mr May says: "There is no doubt that many of the hairs came from Signora Gaerini. Some of the hair could have come from Mrs May."

November 23, 1981: The Sunday Express details a number of "hinders" on the part of the Carabinieri, including the opinion of one sergeant that the two women were "nearly off on a holiday."

December 7, 1981: A young Brazilian woman, who says she has turned out to have been in Brazil when Mrs May and Signora Gaerini disappeared, January 15, 1982. Mr May offers a reward of £250,000 for information leading to the recovery of the women, or half that sum for a solution to the mystery of their disappearance.



Mr and Mrs May, shortly before she disappeared in 1981.

Chelsea take FA to High Court over ticket ban

By a Staff Reporter

Chelsea Football Club are to challenge the Football Association in the High Court over the penalty imposed when they sold more than 100 tickets to fans after the club's earlier decision to ban them from the stadium at Derby on November 26.

Lord Chelsea, the chairman of the club, said last night: "As a result of consultation with leading counsel we have decided to take legal action against the Football Association to have the penalty quashed. The wheels are in motion and the matter is now in court."

After looking into the incidents at Derby in which damage estimated at £2,500 was done at the football ground, the FA wrote to Chelsea saying that, from January 1 and until the end of the season, all Chelsea's away

gains would be all-right with no allocation to Chelsea. Chelsea would be required to pay £10,000 compensation to each home club involved.

Lord Chelsea said earlier this week that he would be consulting counsel on how a club can be held responsible for the conduct of their supporters on a ground at which they have no control over match arrangements. Under FA rules there is no appeal against a decision such as that made against Chelsea.

FA Rule 33 (a) (i) under which Chelsea were found guilty, reads: "Every association and club is responsible to the Football Association for the conduct of its players, officials, spectators and supporters. The club shall be responsible to the Football Association for the conduct of its players."

Pope to discuss Polish crisis in Glimp visit

From Our Correspondent, Rome, Jan 27

The Pope will discuss the Church's role in the Polish crisis when the Primate of Poland, Cardinal Jozef Glemp, arrives in Rome on February 4. The Archbishop will be accompanied by Cardinal Franciszek Macharski, Primate of the Polish Bishops' Conference, and by Bishop Henryk Jankowski, Bishop of Wroclaw.

The Pope is also expected to discuss the crisis with his proposed successor, Cardinal Karol Wojtyla, Primate of the Polish Bishops' Conference, and with the Polish Bishops' Conference.

Meanwhile, the Italian Christian Democratic Party is lobbying for Mr Lech Walesa, the detained leader of Solidarity, to be nominated for the Nobel Peace Prize. It has asked the other major parties in Parliament.

The British Railway Board is determined that it will only pay the money if Acas can persuade the train drivers' leaders to accept binding arbitration on productivity.

Mr Raymond, British Rail's general secretary, said he had not been officially informed of an inquiry. The union would want to know the terms of reference before it would consider taking part.

Mr Clifford Rose, the British Railways Board member for industrial relations, has made a clear priority of the issue of productivity. He said it is a matter of the industry's survival that the issue of productivity must be resolved.

A voluntarily agreed investigation is not an option, he said, because it is not binding. There will be no means of settling the issue of productivity, he said, and none on Sunday.

RR blamed, page 2

By Paul Routledge, Labour Editor

The unions are examining a wide range of measures to frustrate the labour law reforms, and the general council decided, against the advice of Mr. M. J. Murray, the general secretary, to retain the option of withdrawing from the National Economic Development Council (Neddy) and other tripartite bodies which they tie with ministers and employers.

Mr. Murray intervened with

Jobs saved for 1,900 at Odhams

10

By Donald Macintyre

BR blamed

From Richard Ford

From Craig Seton, Portsmouth
he said eminently respectable
men had been "sucked into a
situation where they were ex-

By Our Political Staff

alized fraud'
fraud. Their pleas were accep-
ted.
Mr. Gav. Honey, for the

POLITICAL
SCIENTIST
BACKS PR
By Ian Bradley

By Pat Healy

Back to the great mother mouse

By the Staff of "Nature"

By David Nicholson-Lord

British Rail was criticized by a judge yesterday for its failure to prevent "institutionalized fraud" by railmen at a South-eastern Region depot where one


All people over th

From Craig Seton, Portsmouth
he said eminently respectable
men had been "sucked into a
situation where they were ex-

From Our Correspondent, Glasgow

**POLITICAL
SCIENTIST
BACKS PR**
By Ian Bradley

Judge Michael Argyle dis- judge said it was expected



BR blamed

British Rail was criticized by a judge yesterday for its failure to prevent "institutionalized" safety failures.

From Craig Seton, Portsmouth

Steinman, who joined BR in 1951, denied two similar charges and, together with Bettles-Hall, pleaded guilty to conspiracy to defraud.

By Ian Bradley

em is no longer a two-part system." British government were less stable and less representative.

Highlights of this week's issue:

COUNTRY LIFE

ON SALE NOW

ON SALE NOW

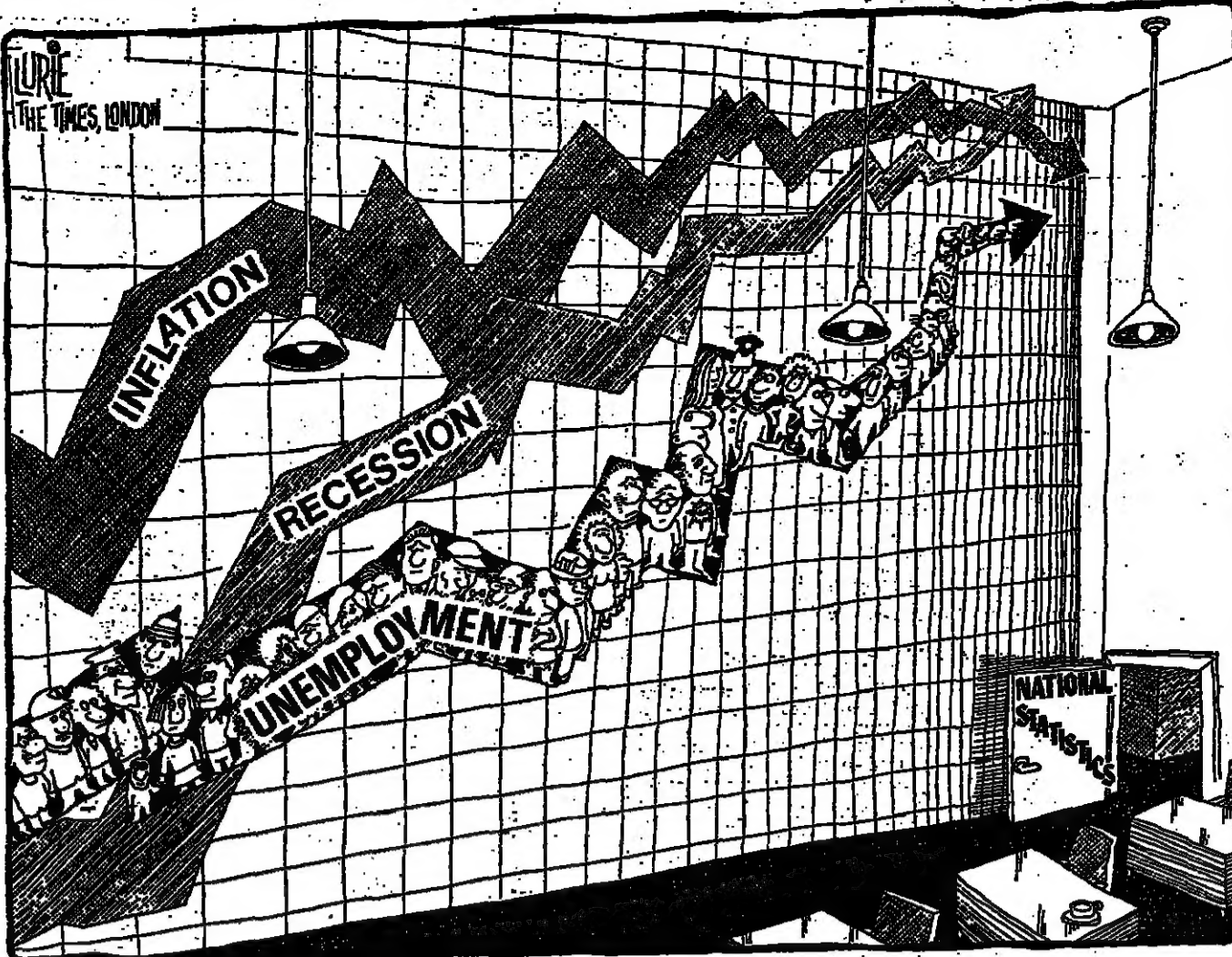
mentous contribution made by BL Cars production engineers to the Metro's overall success.

For questions

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...Deakin, aged
...and dead in the be
...home at Newp
...Buckinghamshi
...ond

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help to c
uninsured loss



NEWS IN SUMMARY

Bard series gets a new producer

The BBC yesterday gave a green light to what is described as its most ambitious production to date, a 12-part series of plays based on the life of William Shakespeare. The series, which will be produced by Jonathan Miller, is expected to be broadcast in the autumn of 1982. Miller, who has previously produced the BBC's Shakespeare series, is now producing a new series of plays based on the life of Shakespeare. The series will be produced by Jonathan Miller, who has previously produced the BBC's Shakespeare series. The series will be produced by Jonathan Miller, who has previously produced the BBC's Shakespeare series.

Drugged driver gets licence

Staff Sergeant Raymond Smith of the Royal Marines, whose car was in a collision with another car and a van on the M5 motorway, has been given a licence to drive a car. The collision, which occurred on the M5 motorway, resulted in the death of a man. The driver, who was found to be under the influence of drugs, was given a licence to drive a car. The collision, which occurred on the M5 motorway, resulted in the death of a man. The driver, who was found to be under the influence of drugs, was given a licence to drive a car.

Fear of violence alters marches

The Home Secretary yesterday announced a ban on marches in Coventry this weekend because of fears of violence. The ban, which was announced by the Home Secretary, was intended to prevent any potential violence that might occur during the marches. The marches, which were planned for the weekend, were expected to attract a large number of participants. The ban, which was announced by the Home Secretary, was intended to prevent any potential violence that might occur during the marches.

Norwich homes decision delayed

Norwich City Council must wait for a decision on its renewed attempt to stop a Whitehall takeover of the sale of its council houses. The council, which is currently in the process of selling its council houses, has decided to renew its attempt to stop the takeover. The council, which is currently in the process of selling its council houses, has decided to renew its attempt to stop the takeover. The council, which is currently in the process of selling its council houses, has decided to renew its attempt to stop the takeover.

Housing aid for gay couples

Oxford City Council has decided to give homosexuals aged over 35 who live together the same number of points on its housing list as married couples without children. The council, which is responsible for housing, has decided to give homosexuals the same number of points on its housing list as married couples. The council, which is responsible for housing, has decided to give homosexuals the same number of points on its housing list as married couples.

Death case man on theft charge

David Hampshire, who is wanted for questioning in connection with the death of Miss Julie Deakin, appeared in court at Dunsmuir, co Cork, yesterday charged with theft. The man, who is wanted for questioning in connection with the death of Miss Julie Deakin, appeared in court at Dunsmuir, co Cork, yesterday charged with theft. The man, who is wanted for questioning in connection with the death of Miss Julie Deakin, appeared in court at Dunsmuir, co Cork, yesterday charged with theft.

Flood relief

Cheques ranging in value from £8,000 to £37 were distributed by the National Farmers' Union in Somerset yesterday to 45 farmers whose farms were flooded when the Bristol Channel burst through sea defences last month. The National Farmers' Union, which is responsible for providing relief to farmers, distributed cheques to 45 farmers whose farms were flooded. The National Farmers' Union, which is responsible for providing relief to farmers, distributed cheques to 45 farmers whose farms were flooded.

Human embryo banks proposed

By Annabel Ferriman
Health Services Correspondent

Human embryo banks for infertile couples are being planned by Dr Robert Edwards and Mr Patrick Steptoe, the test-tube baby pioneers.

The banks will contain frozen fertilized eggs for use either by the mothers from whom the eggs have been extracted or for women who cannot conceive in the usual way. Women attending the Steptoe and Edwards clinic at Bourn Hall, Cambridgeshire, often have more than one egg taken from them for fertilization by their husband's sperm.

Two of the fertilized eggs are usually reimplanted three days later, but if freezing techniques prove successful, any surplus eggs could be stored for later use. New fertility drugs could also make it possible for women to produce as many as seven or eight eggs each month, so a large number could be stored.

The disclosure, in a Television South (TVS) documentary to be screened on Tuesday, is bound to fuel the controversy over test-tube baby experiments. Dr Michael Thomas, chairman of the British Medical Association's central ethical committee, has called for a moratorium on test-tube baby work until its ethics have been more widely discussed.

He thinks that "in vitro" fertilization may increase the risk of congenital abnormalities, and that simply being infertile does not justify the risk, since "no-one dies of infertility." His committee is going to debate the subject on February 10.

The programme, *The Test Tube Explosion*, shows that 28 test-tube babies have been born, 13 in Britain, 14 in Australia and one in the United States. The Bourn Hall Clinic claims 100 pregnancies, including three sets of twins.

It focuses on Natalie Curtis, Britain's fifth test-tube baby, who was born on September 23, 1981, to David and Maria Curtis, from Kent. Her birth came after treatment at the Bourn clinic a year ago.



Mrs Curtis holding Natalie, Britain's fifth test-tube baby.

Dr Edwards, speaking on the programme, says that he would like to establish embryo banks once he is satisfied that freezing techniques would not affect the embryos adversely.

He admits his fears are largely theoretical, because animal embryos have been successfully frozen for years.

But he says that during freezing and thawing a chromosomal imbalance might occur. The frozen embryos could be kept for many years.

Dr Edwards thinks it would also be useful to be able to divide human embryos, just as animal embryos have been divided to produce clones. It would mean that one half could be tested for chromosomal abnormalities, such as haemophilia and muscular dystrophy.

Mr Steptoe defends the right of infertile couples to seek help through "in vitro" fertilization.

Recording of X-rays is opposed

By Our European Political Correspondent

All radiological examinations from tooth X-rays to lung cancer tests, will have to be entered on a personal record card by doctors and dentists if a European draft directive is adopted. But from evidence offered by the Department of Health and Social Security and professional associations, the British Government seems certain to veto the idea.

Lord Seebom, chairman of the House of Lords Select Committee on the European Community, envisaged the circumstances in which he went to the dentist and needed an X-ray, but before it could be carried out the record would have to be consulted to see whether he was likely to be exposed to more than the safe limit of radiation.

Lord Chitnis, the Liberal peer, said that in West Germany everyone had to carry record cards on vaccinations and immunisation injections, so why should not cards showing exposure to radiation be carried.

Dr Ronald Oliver, senior principal medical officer at the DHSS said: "That causes us concern, both from the point of view of cost and also the impact it might have on the confidentiality of patients' records."

He said that even if there were radiological record cards, a doctor might not accept information obtained from an earlier X-ray taken by another doctor. The draft directive calls on member states to set up a system so that X-ray records are available without complex formalities to other doctors or dentists.

EEC 'not to blame' for fishery troubles

By George Clark

Critics of the Government who claim that ministerial directions and orders from the EEC Commission in Brussels have caused a drastic depletion in the United Kingdom deep sea fishing fleet got a blunt answer yesterday from Mr. Alick Buchanan-Smith, Minister of State for Agriculture and Fisheries, when he addressed the Commons standing committee on Statutory Instruments.

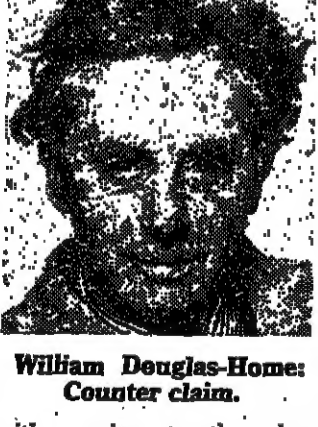
He acknowledged that the freezer section of the fleet faced difficulties, and referred to the sale of the famous trawlers, Arctic Gal and Arctic Buccaners, of Hull to Arctic Fisheries, of Hull to New Zealand fishing companies. But he added: "This has nothing to do with the Common Market. That is why I find totally mischievous some of the criticisms made in recent weeks."

The major problems for the deep sea fleet have been the extension of fishing limits by countries like Iceland, Norway and Canada to 200 miles.

He told the committee, which was examining a statutory instrument to continue the scheme offering 25 per cent grants for new fishing vessels and equipment that in 1979-80 £7m had been provided under the scheme.

Plays were too alike, court told

William Douglas-Home, the playwright, in his play *The Kingfisher* used material based on scripts adapted by Mr Basil Ashmore, the stage director, from the work of three playwrights, it was alleged in the High Court yesterday.



William Douglas-Home: Counter claim.

With a view to the playwright's contributing an epilogue for a play entitled *The Cuckoo's Progress*. The two men could not agree on a satisfactory ending for the work and the epilogue remained unwritten. Ten years later, counsel said, Mr Ashmore read a review of *The Kingfisher*, which opened at the Lyric Theatre on May 4, 1977, starring Sir Ralph Richardson. When he read that review he said to himself: "My goodness me, that is *The Cuckoo's Progress*," counsel said.

Mr Hoolan was opening an action by Mr Ashmore, of Chalfont St Giles, Buckinghamshire, for order compelling Mr Douglas-Home, the Lyric Theatre Company, Mr Thomas Henry John Gate, the producer, and Lissen Productions, of Piccadilly, London, from infringing his copyright in *The Cuckoo's Progress*. Mr Ashmore also sought an order compelling Mr Douglas-Home to provide confidential information.

All the defendants denied breach of copyright and Mr Douglas-Home also counter-claimed for damages, alleging libel in a letter written by Mr Ashmore in 1977 to Mr David Grant, then manager of the Lyric Theatre. Mr Ashmore denied libel and pleaded justification.

Career girls 'steered into low-paid jobs'

By Our Education Correspondent

Intelligent and ambitious girls are dissuaded from following careers in engineering and other traditionally male jobs by teachers, careers officers and employers, who steer them instead into jobs as clerical workers, shop assistants and into other work with low pay and poor prospects, according to research findings published yesterday.

The research, which was funded by the Equal Opportunities Commission and carried out by Dr Yves Benett and Dawn Carter, of Huddersfield Polytechnic, was based on interviews with more than 400 girls from unnamed localities, who had good academic achievements but left school at 16.

Dianne had six O levels (grade C, or above), including mathematics, physics and chemistry, and three CSE passes. When she told her teachers she wanted to go into engineering they laughed and gave her no advice on how to go about it, she says.

Nevertheless, she took a selection test for an engineering apprenticeship with a local firm, passed it and was interviewed. The personnel officer "asked how I could cope if I rose to the top of the firm... He made it clear he did not think that I would get the job and did not want me to get it."

He said: "We have never had a girl here yet." The atmosphere was very tense. He asked how I would feel working with men; he went on about this."

In the end another pupil from her school, a boy, with lower qualifications, got the apprenticeship. Dianne now works as an office clerk.

Pamela, who had seven O level passes, wanted to go into banking and to study for the Institute of Bankers qualification, which is important for promotion, through day release courses.

"The manager said day release was mainly for men, for those men who want to become managers. He said he discourages women from going on day release because they tend to leave, have babies and break their career," she explained.

Lesley was determined to become a motor mechanic, with her parents' backing. During an interview with a careers officer she was told there were no prospects for girl mechanics. Today she works as a shop assistant.

Sidetracked? A look at the careers advice given to 15-year-old girls (Free from Equal Opportunities Commission, Overseas House, Quay Street, Manchester, M3 3HN).

Art dealers to lobby on premium

By Frances Gibb

The Office of Fair Trading said yesterday that it had not received the body of evidence on the buyers' premium promised by the Society of London Art Dealers. The decision to hand over the evidence was announced to members of the society in a confidential newsletter dated January 11, sent by Mr John Baskett, chairman of the society.

The evidence, originally amassed by the dealers to fight Christie's and Sotheby's in the High Court, is needed by the office for an inquiry into whether the auction houses breached restrictive practices legislation when they introduced the premium in 1975.

Yesterday some Mayfair dealers expressed concern that the evidence had not been delivered. "On the BBC *Newsnight* programme last Friday, the society said it was likely to be handing over the evidence within 48 hours," one said.

In the meantime, however, the society has launched a lobby of Parliament for the abolition of the premium. A letter has been sent to all members enclosing copies of a leading article in the *Times* on January 16.

Last October the dealers settled with the auction houses on the eve of a High Court hearing on condition that the auction houses reviewed the premium.

The result of the review was that Sotheby's decided the premium should stay at 10 per cent and Christie's agreed to cut it from 10 to 8 per cent.

Midlands plea on TV picture

From Arthur Osman Birmingham

The East Midlands forum of county councils, which was instrumental in winning a separate television service for the region from the Independent Broadcasting Authority, said yesterday that it would probably approach Mr Whitelaw, the Home Secretary, about reception difficulties for viewers.

After talks with IBA representatives a spokesman for the forum said: "We found what they had to tell us was disappointing, because very little progress has been made in the 14 months since our last meeting with them."

"We do not understand why a body like the IBA, having taken the decision to bring us a service at last, should be so sluggish in providing the necessary hardware."

The start of the separate service has been delayed by an electricians' dispute at Independent Television's Central studio near Nottingham. A condition of the franchise awarded to Central, was that it must become a dual region.

Most sets are tuned to the Sutton Coldfield transmitter, near Birmingham. But the new service will be broadcast by the Waltham transmitter, in Leicestershire, with small relay stations in Nottinghamshire and Derbyshire being switched to Waltham.

The IBA has said it had difficulty in switching four others for technical reasons, and conceded that it had done little work on the matter.

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Police guilty of misconduct 'left unpunished'

By Lucy Hodges

The Police Complaints Board is misinterpreting the law so that police officers who are guilty of misconduct are escaping disciplinary action, a Queen's Counsel told a committee of MPs yesterday.

Mr Michael Beloff, QC, who was appearing before the Home Affairs Select Committee as legal adviser to the National Council for Civil Liberties (NCCCL), said that the law did not lay down that officers against whom criminal charges had been dropped should not then face disciplinary proceedings.

That was how the Police Complaints Board interpreted the law, with the result that serious charges were brought initially, faced no punishment whatsoever, the NCCCL told the committee. That is known as the "double jeopardy" rule.

A recent case in which that happened concerned Mr Errol Madden, a young black, who was charged with the theft of two model cars which he had bought and for which he had receipts. The charges were dismissed and a complaint was lodged against two police officers.

Mr Madden's case was that he had been intimidated into signing a false confession. The Director of Public Prosecutions decided not to bring criminal proceedings against the officers on the ground of insufficient evidence.

Sir Cyril Philips, chairman of the Police Complaints Board, told the NCCCL in a letter that because of the Home Secretary's guidance on police complaints the board was precluded from recommending disciplinary charges on the same evidence.

Sir Cyril added: "The police investigation has nevertheless revealed that Mr Madden was subjected to some distinctly unprofessional behaviour on the part of the police while he was in custody."

The documents in this case were the NCCCL's evidence to the committee. Mr Beloff added that the Home Secretary's guidance, on which the complaints board based its interpretation of the double jeopardy rule, was either being misinterpreted by the board or was itself unlawful and ultra vires.

Miss Patricia Hewitt, general secretary of the NCCCL, told the committee that although the two officers in the Madden case had escaped punishment, the station sergeant, who was much less involved, had been disciplined. That was because the latter had not faced criminal charges at any stage.

TV to show innocent man being manhandled

From Our Correspondent Nottingham

Scenes of a man being dragged from his home by two detectives will be seen by thousands of Midlands viewers when the new Central Independent Television channel begins a series on the Nottinghamshire police force tonight.

In a preview of the first episode a Nottingham man suspected of stealing a set of golf clubs was seen talking to two police officers on his doorstep. Seconds later he is grabbed and manhandled down the garden path in full view of hysterical members of his family. Later the man is cleared.

Mr Charles McLachlan, Nottinghamshire's Chief Constable, has already watched the six-part series and has agreed to it being screened without cuts.

The first episode is called "The Detective's Life" and follows the work of two CID men based at Bulwell station, Nottingham. One of the officers, Det Constable David Waite, disclosed that police carry firearms much more often than the public realize.

At one stage he said: "I am very suspicious of anyone. I will never accept a person is innocent until I have actually got to know them. The police force does harden you against people."

A Nottinghamshire police spokesman said yesterday: "We cannot comment until after the programme has been screened."



Mr George Younger, Secretary of State for Scotland, presenting a trophy to the winners of BBC Radio 4's "Top of the Form" yesterday. They are (back row, from left) Kenneth Brown, Murray Pratt, (front) Kirsteen Browning and Marie Walker, from the Girvan Academy, Ayrshire.

Youth killed himself after girl's death

From Our Correspondent Liverpool

A young student killed himself after reading a newspaper report of the death of a former girl friend, an inquest at Liverpool was told yesterday.

Mr Stephen Murphy, aged 20, who was found dead in bed at his flat, had taken a lethal mixture of drugs and alcohol.

Police officers who found his body said a newspaper containing a report of an inquest into the death of Miss Catherine Lynch, aged 21, who fell from a tower block two years after a gang-rape, was found between the bedclothes.

The inquest was told that after that inquest opened last October Mr Murphy, of Marmian Street, Liverpool, had told a friend, Mr Colin Sefton, that he had gone out with Miss Lynch. He had told his brother-in-law, Mr Frederick Mallett, the same thing, throwing a copy of the newspaper at him and saying he was going home.

Four days later, a girl friend called at Mr Murphy's flat but could not get an answer. The police were called and the body was discovered.

Recording a verdict that he killed himself, Mr Roy Barber, the coroner, said it would be wrong to attribute the action to any single event. A note found in the deceased's bedroom said he had killed himself "for the simple reason that he regarded himself as a failure."

Press reports could not influence jury

From Our Correspondent, Edinburgh

The Scottish Court of Appeal in Edinburgh yesterday gave their reason for quashing convictions of contempt of court against two Scottish newspapers and their editors.

The *Scottishman* and the *Glasgow Herald* had been held by Lord Ross in the High Court to be in contempt of court after reporting that a Crown witness and his wife were taken by police to a secret address after giving evidence at the Glasgow High Court trial of 11 men accused of conspiring to further the aims of the Ulster Volunteer Force by illegal means.

Yesterday Lord Emslie, the Lord Justice General, sitting with Lord Stott and Lord Dunpark, said they had no hesitation in deciding that the passages in the two newspapers did not constitute contempt.

Lord Ross had felt there was a risk that jurors might be influenced in their consideration of the two witnesses' credibility.

Lord Emslie said that in the light of the nature of the charges, it was not surprising that police made massive security arrangements for all concerned. That was a matter of public knowledge.

The essence of contempt was the allegation that what was published contained insinuations or suggestions capable of prejudicing the minds of jurors.

In this case the court had no hesitation in deciding that the passages in the two newspapers did not contain insinuations or suggestions capable of prejudicing the minds of jurors could not be tolerated.

The newspapers' reports must be read in the context of the trial and the extraordinary security precautions which were quite obviously being taken.

They must also be read in the light of the circumstances that the witness, Mr Andrew Gibson, had in his evidence presented himself as a self-confessed associate in crime.

Neither report carried any implication as to the attitudes, fears or beliefs of the Gibsons or that they were under threat from any quarter.

Lord Emslie added: "In our opinion, if any reasonable juror had read the passages his reaction would simply have been 'I am not in the least surprised', and he would have found the simple narration of fact quite neutral in the matter of the credibility of the witnesses."

There was always a possibility that someone might misconstrue what he read or indulge in his own speculation. But that possibility afforded no justification for holding that the publication was in contempt.

Lord Emslie added that it was the court's paramount duty to ensure that persons charged on indictment received a fair and impartial trial. The public dissemination of insinuations or suggestions capable of prejudicing the minds of jurors could not be tolerated.

New group formed to back NHS

By Annabel Ferriman Health Services Correspondent

An organization to defend the National Health Service and oppose the expansion of private medicine is being launched next month by a group of academics, health service workers, trade unionists and community health council workers.

The group, to be called NHS Unlimited, came together last year when a plan to build a private hospital on a site owned by University College Hospital, London, was mooted. Its chairman, Mr Frank Dobson, Labour MP for Camden, Holborn and St Pancras, South, led the fight against proposed hospital.

The aim of the group is to promote the interests of the health service, highlight its advantages and expose the shortcomings of private medical care. It has conducted a survey on the state of development in the private sector by circulating all community health councils, the official health service watchdogs, asking for information.

Activists in the organization include Dr Paul Noone, chairman of the National Health Service Consultants Association, Mr Peter Draper, director of the Unit for the Study of Health Policy at Guy's Hospital, London, and Mrs Marcia Saunders, chairman of the Islington Community Health Council.

They feel there is little control over the establishment of new small private hospitals. If the new hospital contains fewer than 120 beds the Department of Health and Social Security has to be notified about it, but no authorization is necessary. Mr Dobson said yesterday: "At the moment Dr Crippen or Sweeney Todd could apply to build a private hospital and get it. Nobody would investigate them."

The Conservative Medical Society has attacked the group for using community health councils, which are publicly funded, to provide information for what they see as a politically motivated group. Mrs Saunders denied the charge yesterday. "CHCs are concerned about the total health service provision and what happens in the private sector influences what happens in the public sector," she said. The establishment of many new hospitals attracted staff away from the NHS.

Computer aid for disabled

By Pearce Wright Science Editor

A device which enables a disabled person to create animated cartoons, design a house, or simply type a letter to a friend, has been developed at the National Institute for Medical Research, Mill Hill, North London.

The equipment, which opens wide opportunities for handicapped people, takes almost no account of the degree of physical disability and is the latest exploitation of the ubiquitous microcomputer.

Preparation of an architectural blueprint, or the composition of a personal letter, are only two of hundreds of activities made possible by the invention by a group of biomedical engineers and computer programmers at the institute.

The apparatus has a clinical purpose for doctors measuring progress in treating disabilities, in addition to its use in hospital, day centres or at home.

There are three elements to the system: the method of controlling equipment to replace the traditional keyboard; a commercially available microcomputer which can use any of the programmes written for a virtually limitless number of applications; and a television set, printer or other machine for recording information.

In developing the equipment Mr Jack Perkins, an electronics specialist, and Miss Janet Baker, a computer programmer, have used either a simple, large, robust on-off button to control the device or a joystick. However, the choice of a control unit will differ because a severely handicapped person may, for example, be able only to move his head to operate the equipment. The whole apparatus costs about £2,000.

In a demonstration at Mill Hill Miss Baker showed how a doctor can measure the response to treatment of certain conditions by assessing tremor. The method is simple. The patient tries to keep a small object on a television screen, using the joystick, inside a circle.

With the typing programme, the top third of the screen carries the alphabet, which is being continuously scanned by a dot of light. Using a button or joystick, characters can be selected and printed out in a letter format.



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Bournes' final fling

By Tony Samstag

Today is the opening of the sale of the century at Bournes of Oxford Street. The sale will continue until the final item is cleared from the shelves and the store, a central London landmark since 1902, closes.

The closure, the third by leading London department stores since last September, is the latest in the melancholy litany of retailing institutions that have had their day and gone, leaving large freeholds behind like dinosaurs' bones.

Those bones, in particular, are likely to have a brighter future with the approval by the last Greater London Council last year of outline plans to turn the "Island" site into shops, offices and flats.

Mr Lawrence Kaffel, managing director of Bournes, refused yesterday to give details of the progress of those plans except to confirm that talks were continuing.

Mr Kaffel said that he and his staff had made a good attempt to try to revive a

business, "unfortunately during a very tough recession." All concerned were keeping their chins up, he added. Raybeck, owners of the store since 1978, are to set up a jobs advisory centre for the staff of more than 300 who will be made redundant.

Bournes, originally Bourne and Hollingsworth, was one of those gracious institutions, old-fashioned virtually from its inception, known for its infinitely patient service and its policy of benevolent paternalism towards its employees, for whom cheap and good accommodation was among the perks until the Rent Act complications intervened.

The store follows Whiteley's of Bayswater and, most recently, Swan and Edgar, in Piccadilly Circus, into that limbo which some anonymous wit, paraphrasing Shakespeare more presciently than he knew, has christened "the bourne from which no Hollingsworth returns".

NEWS IN SUMMARY

180 die in two train accidents

At least 110 people were killed and 150 others injured yesterday when a train was derailed on the Bhubanjan pass, 65 miles west of Agartala. And 70 people died when a passenger express crashed into a goods train in thick fog on the outskirts of Agartala in northern India.

About 450 passengers were on the train travelling from Agartala to Dibrugarh when the accident occurred.

President Chaudhury sent his condolences to the families of the crash victims and dispatched a high-ranking delegation, including the Prime Minister and the Ministers of the Interior, Health and Transportation to Bhubanjan.

Church will not marry cripple

New York—When Larry Bonvallet, paralysed by a fall, fell in love with a nurse while he was recuperating and they decided to marry, he was astounded to be told that the priest at his fiancée's church refused to perform the ceremony.

He appealed to the marriage tribunal of the Roman Catholic diocese of Joliet, Illinois, but has been told that if he is impotent a priest may not officiate.

The Rev James Nowak, Deputy Chief Justice of the tribunal, said: "We have a certain understanding of what marriage involves. If someone is not capable of that kind of relationship, he's not capable of marriage. All we are doing is expressing the law of nature."

Surgery before birth

Brussels—Surgeons claiming a world first have operated on a baby boy two weeks before his birth at the University of Liege.

Using ultrasonic material, they sliced a drain into a cyst in the baby's kidney through the mother's abdominal wall. The embryo sac and the baby's skin, which allowed the urine to flow freely into the amniotic fluid and thus dry the growth. The baby was expected to be in excellent health.

Thunderbolt plot foiled

President Didier Ratsiraka of Madagascar, who has accused Roman Catholic priests of plotting with local separatists to make a thunderbolt fall on the presidential palace in Antananarivo and kill him.

He said a senior military officer, two priests and several others had been arrested in connection with the conspiracy. Mercenaries from South Africa were also linked with the plot. "Several of the mercenaries who recently operated in the Seychelles had often been to Madagascar. They were certainly planning operations here," he said.

Beverly Hills slavery raids

Los Angeles—Police here raided homes in Beverly Hills to crack what they alleged was a slave ring in which Indonesians were smuggled into the United States and sold as servants. Twelve people are to appear before a Federal Grand Jury.

Mr Edgar Best, an FBI Special Agent, said an 11-month investigation had shown that at least 25 men and five women had each been sold for up to \$3,000 (about £1,600).

Coalition resigns in Finland

Helsinki—The Finnish Government resigned immediately after Dr Mauno Koivisto's inauguration as Finland's first Socialist president.

The resignation of the coalition of Social Democrats, Centre Party, Communists and Swedish People's Party, automatically follows the change of presidency. Negotiations for a new coalition will begin in earnest next week.

Spy found guilty

Los Angeles—Christopher Boyce, a convicted spy serving a 40-year jail term, has been found guilty of escaping from prison and could face an extra five years in jail. He sold satellite technology to the Russians.

State of the Union message

Republicans hail Reagan's bold approach

From Nicholas Ashford, Washington, Jan 27

President Reagan, aware of the long and difficult legislative battle that lies ahead, today began trying to gather support among Congressmen and State Governors for his bold proposal to reverse the centralisation of power in America.

The plan, which was the focal point of the President's State of the Union address last night, calls for a massive realignment of government responsibilities between Washington and the states.

Reactions to the plan have been mixed, and have cut across party lines. Some Democrats have given cautious approval to the President's ideas for what has been termed the "New Federalism", while some Republicans believe that the devolution of federal powers to the states is both unwanted and unworkable.

Reactions to the rest of the President's speech, particularly his refusal to raise taxes as a means of reducing the budget deficit, were predictably mixed. Democrats were accused of failing to take steps to tackle the immediate problem of unemployment, and of punishing the poor at the expense of the rich by proposing to make further cuts in social programmes. Republicans, on the other hand, welcomed the President's determination to push ahead with his four-point economic recovery programme. However, some openly wondered how this could affect their prospects in the November elections, particularly if there is no improvement either in unemployment or in controlling the budget deficit.

For Republicans, the State of the Union message showed President Reagan at his best. He managed to sound optimistic despite the state of the economy, and his rhetorical flashes produced frequent applause.

The speech, however, confirmed many of the worst fears of Democratic Congressmen. The President appeared insensitive to the concerns of ordinary Americans, and determined to force his programme on the nation whatever its eventual cost.

The President's proposal to turn over more than 40 federal programmes over to the states is designed to realize a dream that Mr Reagan had since the beginning of his political life. For years he has campaigned against big government, and what he is now proposing would make the Federal Government a good deal smaller.

The President called for the relationship between Washington and the states to be changed with "a single, bold stroke". His plan has two main parts.

The first is a \$19,000m swap, on which the Federal Government would take over the states' share of Medicaid payments for the poor, while the states would take over the Federal share of the Food Stamp Programme, and aid to families with dependent children, two cornerstones of the United States welfare system.

The second is to hand more than 40 federally-funded transport, educational and community development programmes back to the states. The Federal Government would help the states to fund these programmes through a \$28,000m trust fund to be financed by existing federal excise taxes.

The President's "New Federalism" programme was hailed by Senator Mark Hatfield (Republican, Oregon), a former State Governor, as "brilliant and fantastically creative". Senator

Orrin Hatch (Republican, Utah) commented that "the more we get these matters back to the states, the better off we are going to be."

However, Senator Robert Dole (Republican, Kansas), the chairman of the Senate Finance Committee, was more cautious. As a sponsor of the Food Programme, which the President is now proposing to hand over to the states, he remarked: "I am not so certain a programme that vast could be administered in 50 different ways. We're having enough trouble administering it one way."

Congressmen appeared to agree about two main aspects of the President's plan. First, it will be an immense and complicated task to get it through Congress. At present, the Administration has still not worked out whether the programme transfers will be submitted piecemeal or as one package. Either way, the chances of having the plan approved during this legislative session, which will be abbreviated by the forthcoming elections, will be slim indeed.

Second, the "New Federalism" plan does not address the country's immediate economic problems. It is only due to start operating in 1984, and will not be complete until 1991.

The President conceded in his speech that forthcoming budget deficits would be higher than originally anticipated, but blamed this on the recession and the policies followed by previous administrations. Admitting that the country would continue to face difficult moments in the months ahead, he nevertheless rejected any "quick fix" course-correction in the face of huge budgetary deficits over the next three years.

The President intends to tackle the budget problem by making additional cuts in spending programmes, and by closing a number of loopholes in the tax code. He said that this year's deficit would be "less than \$100,000", and predicted that there would be a reduction in the deficits over the next two years. However, his election campaign pledge of a "balanced budget" by 1984 was studiously ignored.

President Reagan's refusal to heed the advice of many of his senior officials and Republican Party leaders, who had advocated an increase in excise taxes, drew criticism from Democrats and Republicans alike.

Senator William Armstrong (Republican, Colorado) said it appeared that the Administration was now prepared to accept a deficit of between \$276,000m and \$500,000m over the next three years. Neither Wall Street nor the man in the street was going to accept that scale of deficit, he said.

Mr Donald Reagan, the Treasury Secretary, said today that the deficit should go down to \$80,000m or even less by 1984.

Whatever sense of unease Republicans may have felt about some aspects of the President's speech, they nevertheless seemed pleased with his over all tone. Here was a President who was determined to stick to his guns, who would not allow even to divert him from his original programme, as had happened to many of his predecessors.

The President made the right noises about civil rights and women's rights, he was tough on crime, and on important issues he was determined to stick to his guns, who would not allow even to divert him from his original programme, as had happened to many of his predecessors.

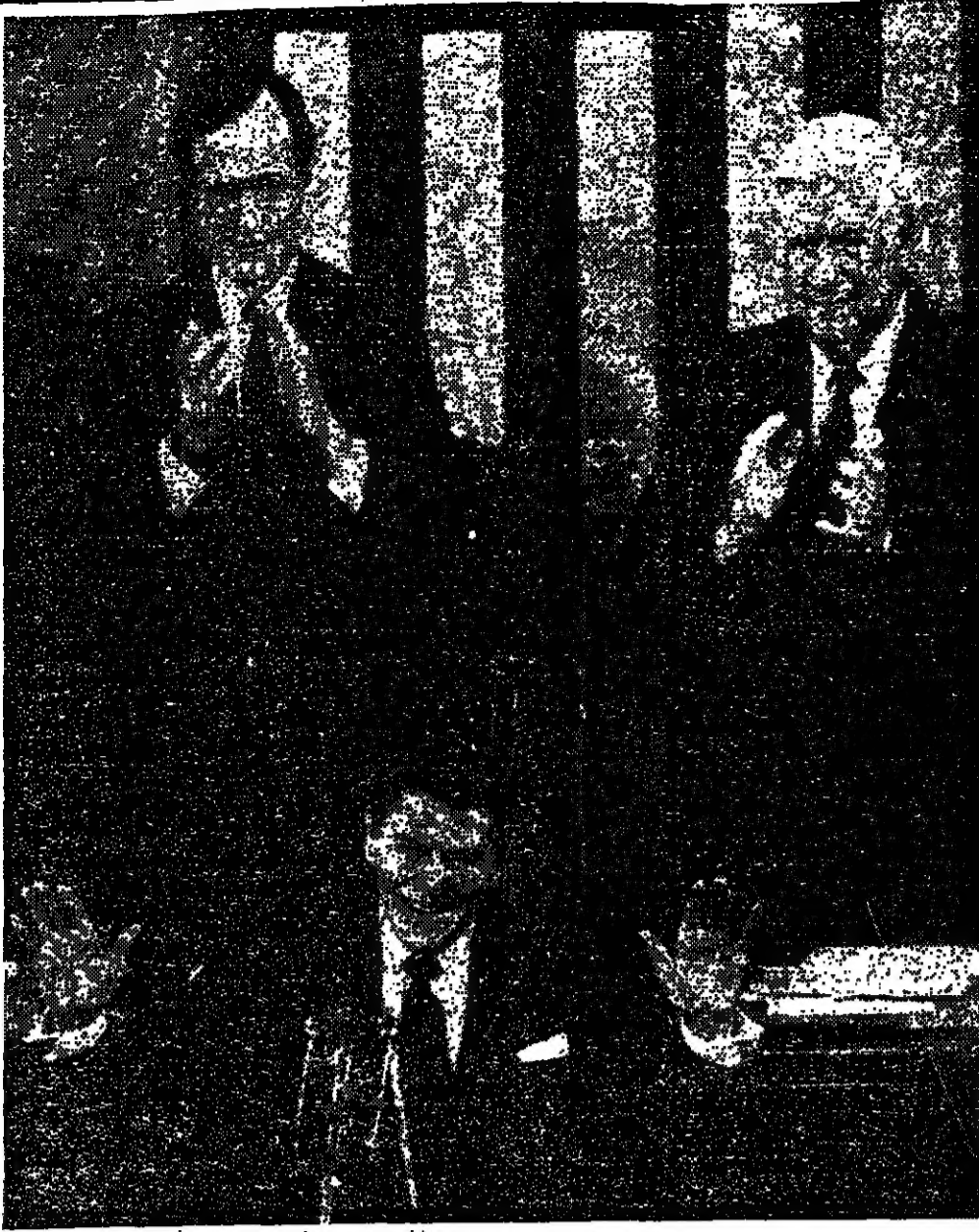
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Big hand for the President: Watched by Vice-President George Bush and Mr "Tip" O'Neill, the Speaker, Mr Reagan acknowledges the applause of Congress.

'We are making progress'

Washington, Jan 27.—The following is a partial text of President Reagan's State of the Union address:

Today marks my first State of the Union address to you, a constitutional duty as old as our republic itself.

When I visited this chamber last year as a newcomer to Washington, critical of past policies which I believe had failed, I proposed a new spirit of partnership between this Congress and this Administration and between Washington and our state and local governments.

It is my duty to report to you tonight on the progress we have made in our relations with other nations, on the foundation we have carefully laid for our economic recovery, and, finally, on a bold and spirited initiative that I believe can change the face of American government and make it again the servant of the people.

To understand the state of the union, we must look not only at where we are and where we are going but at where we've been. The situation at this time last year was truly ominous.

The last decade has seen a series of recessions. Government's response to these recessions was to pump up the money supply and increase spending.

This time, however, things are different. We have an economic programme in place completely different from the artificial quick-fixes of the past. It calls for reduction of the rate of increase in government spending, and already that rate has been cut nearly in half. But reduced spending alone isn't enough. We've just implemented the first and smallest phase of a three-year tax-rate reduction plan designed to stimulate the economy and create jobs.

Already interest rates are down to 15% per cent, but they must still go lower. Inflation is down from 12.4 per cent to 8.9 per cent, and for the month of December it was running at an annualized rate of 5.2 per cent.

Economic problems deeply rooted

The economy will face difficult months in the months ahead. But the programme for economic recovery that is in place will pull the economy out of its slump and put us on the road to prosperity and stable growth by the latter half of this year.

And so the question: if the fundamentals are in place, what now?

Two things. First, we must understand what is happening at the moment to the economy. Our current problems are not the product of the recovery programme that is only just now getting under way, as some would have you believe. They are the inheritance of decades of tax and tax spend and spend.

Second, because our economic problems are deeply rooted and will not respond to quick political fixes, we must stick to our carefully integrated plan for recovery. That plan is based on four commonsense fundamentals: continued reduction of the growth in federal spending, preserving the individual and business tax reductions that will stimulate saving and investment, removing unnecessary federal regulations to spark productivity, and maintaining a healthy dollar and a stable monetary policy—the latter a responsibility of the federal reserve system.

As it now stands, our forecasts, which we are required by law to make, will show major deficits starting at less than 100 billion dollars

and declining, but still too high.

More important, we are making progress with the three keys to reducing deficits: economic growth, lower interest rates, and spending control. The policies we have in place will reduce the deficit steadily, surely and, in time, completely.

Raising taxes will slow economic growth, reduce production and destroy future jobs. So I will not ask you to try to balance the budget on the backs of the American taxpayers. I will seek no tax increases this year and I have no intention of retreating from our basic programme of tax relief.

The budget deficit this year will exceed our earlier expectations. The recession did that.

National and defence social programmes

We must cut out more non-essential government spending and root out more waste, and we will continue our efforts to reduce the number of employees in the federal workforce by 75,000.

The budget plan I submit to you on February 8 will realize major savings by dismantling the Departments of Energy and Education, and by eliminating ineffective subsidies for business.

We will continue to redirect our resources to our two highest budget priorities—a strong national defence to keep America free and at peace, and a reliable safety net of social programmes for those who have contributed and those who are in need.

Under the new budget, funding for social insurance programmes will be more than double the amount spent only six years ago.

Now that the essentials of that programme are in place, our next major undertaking must be a programme—just as bold, just as innovative—to make government again accountable to the people, to make our system of federalism work again.

Let us solve this problem with a single, bold stroke—the return of some 47 billion dollars in federal programmes to state and local government, together with the means to finance them, and a transition period of nearly 10 years to avoid unnecessary disruption.

I will shortly send the Congress a message describing this programme.

Starting in fiscal 1984, the federal government will assume full responsibility for the cost of the rapidly growing Medicaid programme to go along with its existing responsibility for Medicare. As part of a financially equal swap, the states will simultaneously take full responsibility for aid to families with dependent children and food stamps.

In 1984, the federal government will apply the full proceeds from certain excise taxes to a grassroots trust fund that will belong, in fair shares, to the 50 states. The total amount flowing into this fund will be 28 billion dollars a year.

Hand in hand with this programme to strengthen the discretion and flexibility of state and local government, we are proposing legislation for an experimental effort to improve and develop our depressed urban areas in the 1980s and 1990s. This legislation will permit states and localities to apply to the federal government for designation as urban enterprise zones.

Our nation's long journey towards civil rights for all our citizens—once a source

of discord, now a source of pride—must continue with no backsliding or slowing down. We must and shall see that those basic laws that guarantee equal rights are preserved and when necessary strengthened. Our concern for equal rights for women is firm and unshakable.

So far I have concentrated largely on domestic matters. To view the state of the union in perspective, we must not ignore the rest of the world.

At Ottawa and Cancun, I met with leaders of the major industrial powers and developing nations. Some of those I met were a little surprised that I didn't apologize for America's wealth. Instead I spoke of the strength of the free market-place system and how it could help them realize their aspirations for economic development and political freedom.

In the vital region of the Caribbean basin, we are developing a programme of aid, trade and investment incentives to promote self-sustaining growth and a better, more secure life for our neighbours to the south. And those who would export terrorism and subversion in the Caribbean and elsewhere, especially Cuba and Libya, we will act with firmness.

Policy of strength and balance

Our foreign policy is a policy of strength, fairness and balance. By restoring America's military credibility, by pursuing peace at the negotiating table where ever both sides are willing to sit down in good faith, and by regaining the respect of America's allies and adversaries alike, we have strengthened our country's position as a force for peace and progress in the world.

When action is called for, we are taking it. Our sanctions against military dictatorship that we have attempted to crush human rights in Poland—and against the Soviet regime behind that military dictatorship—to the world that America will not conduct "business as usual" with the forces of oppression.

If the events in Poland continue to deteriorate, further measures will follow.

Meanwhile, we are working for reduction of arms and military activities.

In those talks it is essential that we negotiate from a position of strength.

We have not neglected to strengthen our traditional alliances in Europe and Asia, or to develop key relationships with our partners in the Middle East and other countries.

Your recent passage of the Foreign Assistance Act sent a signal to the world that America would not shrink from making the investments necessary for both peace and security.

A recognition of what the Soviet empire is about is the starting point. Winston Churchill, in negotiating with the Soviets, observed that they respect only strength and resolve in their dealings with other nations.

Let us so conduct ourselves, that two centuries from now, another Congress and another President, meeting in this chamber as we are meeting, will speak of us with pride, saying that we met the test and preserved for them in their day the sacred flame of liberty—this last, best hope of man on earth. —Reuter.

EEC attacked over martial law 'alibis'

From Ian Murray, Brussels, Jan 27

The failure of EEC countries to react strongly to the introduction of martial law in Poland was strongly condemned today by Mr Tomas Rosengrave, the Irish President of the Community's Economic and Social Committee.

"Tragically, it must be said that the reactions of the European countries to the events in Poland have been characterized by hesitations and expediency," he said, "by carefully rehearsed alibis, by the plenary session of the committee. There had been 'general time wasting and tactical decision'."

He went on: "It has been said that all that is needed for the triumph of evil is that long as we continue on such a course it is inevitable that human rights will continue to be suppressed, not only in Poland but in other parts of the world."

He endorsed demands for an end to martial law and release of those imprisoned. He also urged that any economic or financial help for Poland should be contingent on these demands being met.

Meanwhile, part of the Western response to military rule in Poland was being prepared by permanent representatives at Nato. They were studying the likely effects of the Polish crisis on

the Conference on Security and Co-operation in Europe, which is due to restart in Madrid on February 9.

The allies have already decided that this is the most appropriate place in which to protest about martial law, since in its reappraisal of the Helsinki Final Act the conference must look into the question of human rights.

Poland is, by chance, due to be in the chair at the restart and the conference is expected to end by April.

London: The leader of the West German parliamentary opposition called yesterday for a unified Western response to the military takeover in Poland (Simon Scott Plummer writes).

Dr Helmut Kohl, chairman of the Christian Democratic Union, told a press conference in Bonn that the failure to take concerted action was an invitation to aggression by the Soviet Union.

There was no doubt that General Wojciech Jaruzelski, the Polish leader, had imposed martial law at the instigation of the Kremlin, Dr Kohl said.

Baltic-Gryko talks, page 1

Slavish loyalty, page 12

Guitarist found in wardrobe

From Ray Kennedy, Johannesburg, Jan 27

A young policeman described in court today his embarrassment when he took part in a raid on a house where a young white woman and a black man were reported to be having a love affair.

Constable Mark Venter told a Johannesburg magistrate that when police burst into the house "we were surprised not to find them in bed together." Instead, Miss Vivian Epstein, aged 23, manager of a pop group in the Soweto black township, was sitting at a table.

When the police entered the bedroom of her home, but the group's guitarist, Mr Abraham Mahlobo, aged 27, was found hiding in a wardrobe and he was wearing only his underpants.

Both have pleaded not guilty to charges of contravening the Immorality Act, which bans sex between people of different colours and which is widely considered to be one of South Africa's most discriminatory apartheid laws.

Even Mr P.W. Botha, the Prime Minister, has said publicly that he would welcome suggestions about how to redraft it to make it less offensive, although he has not gone so far as to say it should be scrapped altogether.

But while it still law the police have the task of reacting to complaints and reports from the public. Constable Venter told the court the police went to Miss Epstein's house after a report from her neighbour, Mrs Sarah Van Vuuren. He said: "We were looking for two people of different races making love."

The bed was unmade and the bedclothes untidy.

19 held in raids on squatters

Cape Town, Jan 27.—More than 100 South African police last night mounted their third harassing operation in as many days on a community of some 70 squatters near Cape Town, arresting nine of them, it was reported here today.

In another operation yesterday, 10 people were arrested after police were attacked by a crowd of squatters holding a demonstration against the authorities' action. All 19—10 of them women—were expected to appear in court soon.

The Star of Johannesburg reported today that four people were wounded yesterday, though police Lieutenant Gerhard van Rooyen would only say that shots had been fired.

In each of the three raids the police destroyed the shacks erected by the squatters outside the black township of Nyanga, and each time they were rebuilt. The police action aroused strong protests, especially from the main opposition Progressive Federal Party.

Last August, the South African authorities expelled several hundred people who had settled outside Nyanga, sending them back in lorries to the Transkei homeland, which they had left to seek work. South Africa claims that the "homelands" are independent countries, giving the right to expel squatters as illegal immigrants, thus controlling the number of black people allowed to work in white cities.

Although there was widespread unemployment among blacks in the Cape area, many of the squatters claimed to have at least part-time employment. Others were the wives or husbands who had permission to work in the area, but not the right to bring their families.



Mr Michael Powell: despondent after year in captivity.

Foreign Office rebuked over Briton held in Iraq

By David Cross

Mrs Betty Powell, the mother of a British engineer who has spent the past year as a prisoner of Kurdish insurgents in northern Iraq, said yesterday that she was disheartened by the British Government's failure to secure her son's release.

She told a press conference in London that she was "a bit weary and a bit sick at all the fuss which had surrounded the recent rescue of Mr Mark Thatcher, the Prime Minister's son, in southern Algeria."

"It seems that if you are a prominent personality every effort is made to help you. But if not all you get from the Foreign Office is sympathy. It is still a long way from being a threat to peace."

Mrs Powell was in London to watch a preview of a television documentary about her kidnapped son, Mr Michael Powell, and the struggle of the Kurds against the Iraqi Government. The film, which will be shown tonight on Thames Television's TV Eye programme, includes film shot by Mr Gwynne Roberts who travelled for 15 weeks across the most inaccessible regions of the Middle East to reach Mr Powell and his captors.

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Teachers hit by German law against dissent

From Patricia Clough, Bonn, Jan 27

More than 100 teachers in Detmold, north-west Germany, are under investigation by the local authorities for signing a newspaper advertisement in support of young squatters who occupied and renovated a local factory.

In Detmold, two would-be schoolmasters were refused jobs and two other teachers were barred from promotion recently because they supported another advertisement against the stationing of nuclear missiles in West Germany.

Herr Alexander Schubart, a Frankfurt municipal official, was suspended from his job pending disciplinary proceedings because he organized a demonstration against the building of a third runway at Frankfurt airport.

Ten years after it was first decreed, despite endless protests and an attempt at liberalization, West Germany's *Berufsverbot* is alive and well and has taken on new forms.

On January 28, 1972, Herr Willy Brandt, who was then Chancellor, and the Prime Ministers of the 11 Länder (states) issued regulations intended to keep political extremists out of public jobs.

Anyone who engaged in "activities against the constitution" or who belonged to organizations regarded as hostile to the constitution should be barred from public employment, they decreed.

They had the best of intentions. Extreme left-wing leaders of the 1968 student rebellion had announced a "march through the institutions" to subvert the system from within.

With bitter memories of how the Nazis gained control of the state bureaucracy, Herr Brandt and the others were anxious to defend West Germany's young democracy. They were putting into force powers which stated explicitly that public jobs can only be given to those "who at all times champion the free democratic system".

But after a few years had passed its authors, like the sorcerer's apprentice, became agitated at the mischief they had unwittingly unleashed.

Many thousands of young people who applied for jobs found their past histories were being checked with the security services. Past or present membership of or simply association with extremist groups such as the communists, participation in demonstrations and other political activities were held

Cruise ship ban ends holiday for Britons

From Harry Debelius, Madrid, Jan 27

A Cape Town-to-London cruise ended today for hundreds of Britons after the cruise liner *Achille Lauro* had been held in the Canary Islands for alleged non-payment of debts. Most of the passengers were to be flown home.

The ship, owned by Laura Lines, of Naples, arrived in Santa Cruz, Tenerife, on Saturday. At midday, according to Spanish naval authorities, a court order was served on the master, barring the vessel from leaving.

Authorities said the order was a result of proceedings instigated by a company in Hamburg for alleged non-payment of container rentals. The debt was reported to be about £190,000.

Agents in Tenerife said at least three-quarters of the 436 passengers were British, and that two aircraft were chartered to fly all but 20 or 30 of them to Gatwick.

The other passengers going to Britain were to go to Cadix by ferry, the agent said. He did not give details about the rest of their journey, saying that arrangements were made by the tour operator.

A spokesman at the British consulate in Santa Cruz said officials were not requested to intervene in the matter.

There was a fire on the *Achille Lauro* while it was on its way to South Africa last month. Three people were listed dead or missing.

Charting Zimbabwe's future

Mugabe tests opinion on one-party state

From Michael Hornsby, Salisbury

Mr Robert Mugabe, Zimbabwe's Prime Minister, has told *The Times* that he is actively seeking support for the setting up of a one-party state, and that as far as his own Zanu (PF) party is concerned it is "not a matter of whether (such a state) is feasible but when it shall come about".

Interviewed in his modest Salisbury office, the Prime Minister insisted, however, that he was in no hurry: "There are obvious constitutional restraints on us and one does not want to bring this about by way of illegal imposition, nor does one want to bring this about hastily. One wants to discuss this as widely as possible".

Mr Mugabe's carefully balanced comments need to be set against the much more populist tone of speeches he has made during recent tours of the countryside. In these he has declared that Zanu (PF) will "rule forever", that it is above Parliament because it represents the people, and that opposition parties "bent on destroying the country" should not be allowed to exist.

Mr Mugabe also drew fire from Mr Joshua Nkomo, the leader of the Patriotic Front (formerly Zapu), by announcing that they were to meet soon to discuss the merger of their two parties, which is currently rule in coalition, as the precursor to the formation of a one-party state. Mr Nkomo said he knew of no plans for such discussions and accused Mr Mugabe of riding roughshod over the



Robert Mugabe: shades of opinion under one umbrella

of the 100 MPs in the Assembly. (Until 1987 20 of these seats are reserved for whites and currently filled by Mr Ian Smith's Republican Front Party.)

Undeniably, in his more demagogic vein, Mr Mugabe often leaves the impression that the one-party state is just round the corner. He insisted during his interview with me, however, that the purpose of his recent speeches had merely been to "tell the people that they should not think nothing is being done in this direction". His supporters were urging such a step on him, but it was "not a matter we should rush into just now".

Mr Mugabe also said that, despite Mr Nkomo's denial, he fully expected talks on uniting Zanu (PF) and the Patriotic Front to go ahead in a week or two. "Frankly, I think (he) needs unity more than we do", he said, and claimed that the initiative for such discussions had come from Mr Nkomo after a meeting with President Canaan Banana.

Asked to define what he meant by a one-party state, Mr Mugabe said: "I mean a democratic state where only one party operates as the political organ to determine the policies the Government will pursue. I also mean that one party shall arise as the result of the democratic will of the people". The possibility of a referendum has been mooted.

As Mr Mugabe describes it, a kind of national front would be set up, incorporating

Salisbury police seek second white MP

From Stephen Taylor, Salisbury, Jan 27

Zimbabwe security police have been issued with ministerial orders to arrest a second white MP. Mr Denis Walker, who returned here from a holiday in South Africa last week.

Members of the Central Intelligence Organization, the State security bureau, were stationed around the House of Assembly today to detain Mr Walker if he arrived to take his place.

But the MP for Mr Ian Smith's Republican Front Party, who has twice attended Parliament since returning to Zimbabwe last week. Did not put in an appearance, and close associates said they had not seen him since yesterday.

Meanwhile, lawyers acting for Mr Wally Stuttaford, another MP who has been held under emergency powers at Chikurubi maximum security prison since December 11, said they expected a summons to be served on Mr Emerson Munangagwa, the Security Minister, in the next two days. The MP is claiming damages from the Minister, who is in charge of the CIO, for torture which he claims he suffered in detention.

It is understood that, when the police arrested Mr Stuttaford for allegedly plotting to overthrow the government, they were also seeking Mr Walker. However, the Bulawayo South MP had left the country a few days earlier for a holiday.

Two Indian killers face death

From Trevor Fishlock, Delhi, Jan 27

Two men are due to be hanged here on Sunday for the kidnapping and murder of two children. Their case has raised again the debate over the place of capital punishment in the Indian penal system.

In May 1979 the Supreme Court stayed all executions while it decided on the constitutional validity of the death sentence. In November 1980 the court said that the normal sentence for murder was life imprisonment, and that the death sentence should be imposed in the "rarest of rare cases".

The two Delhi murderers were to have been hanged two months ago, for a particularly brutal crime committed in 1978. However, shortly before the time fixed for their execution in Delhi Central Jail, they were reprieved by three Supreme Court judges.

Once again all executions were stayed, while the Court considered the extent of the President's powers, under the constitution, to grant clemency. Although the Court has now decided that the question of presidential powers does not apply in the case of one of the condemned men, this prisoner is making legal moves to seek another reprieve. It is still not certain that both men will be hanged on Sunday.

Jail doctor commits suicide

From Our Own Correspondent, Bonn, Jan 27

A West Berlin prison doctor had hanged himself in desperation over disciplinary action because he allegedly sympathized too much with hunger-striking terrorists.

Dr Volker Leschhorn, aged 49, was the physician in charge at Moabit prison in West Berlin last spring when six terrorists there joined comrades in other parts of West Germany in a hunger strike to demand better conditions. He refused demands by the authorities to force-feed the hunger strikers, preferring to cultivate a relationship of trust.

He pressed for improvements in their living conditions and even supported demands — which the authorities rejected as unacceptable — that the four other be transferred to Berlin from other prisons.

The hunger strike ended after another terrorist who was being force-fed, died in Cell 5. The fact that none of the West Berlin prisoners died was attributed to Dr Leschhorn's good offices.

But later the authorities started disciplinary proceedings, alleging that he "sympathized in an unjustifiable manner" with the terrorists. They said he had prevented officials from searching their cells where, it later emerged, they had stored a rope in the hope of escaping.

MP quits Schmidt party over missile policy

Bonn, Jan 27. — A left-wing Social Democrat (SPD) Member of Parliament, Herr Manfred Coppel, quit the party today in protest at Chancellor Helmut Schmidt's defence and environment policies.

"I can no longer share responsibility for the policies of this government," he said in a letter to the SPD chairman, Herr Willy Brandt, which he read at a news conference.

Herr Coppel, a 38-year-old lawyer, was one of six SPD deputies who voted against the defence budget last week. He opposed Nato plans to deploy new United States medium-range nuclear missiles in West Germany from 1983.

"The Nato rearmament decision was a fatal error and a threat to peace," he wrote in the letter to Herr Brandt,

returning his party card after 20 years of membership. Herr Coppel will join Herr Karl-Heinz Hansen, who was expelled from the SPD last year as an independent left-wing backbencher.

They plan to call a "conference of democratic socialists" in March to discuss the possible formation of a new party, grouping supporters of the peace movement and ecologists.

The new group is unlikely to become a mass movement, but political analysts believe it could damage the SPD's electoral chances and might win the 5 per cent of votes necessary to enter Parliament.

Herr Coppel accused the Bonn government of dismantling West Germany's social welfare system to boost defence spending disproportionately.

SPEAKING UP FOR SMOKERS

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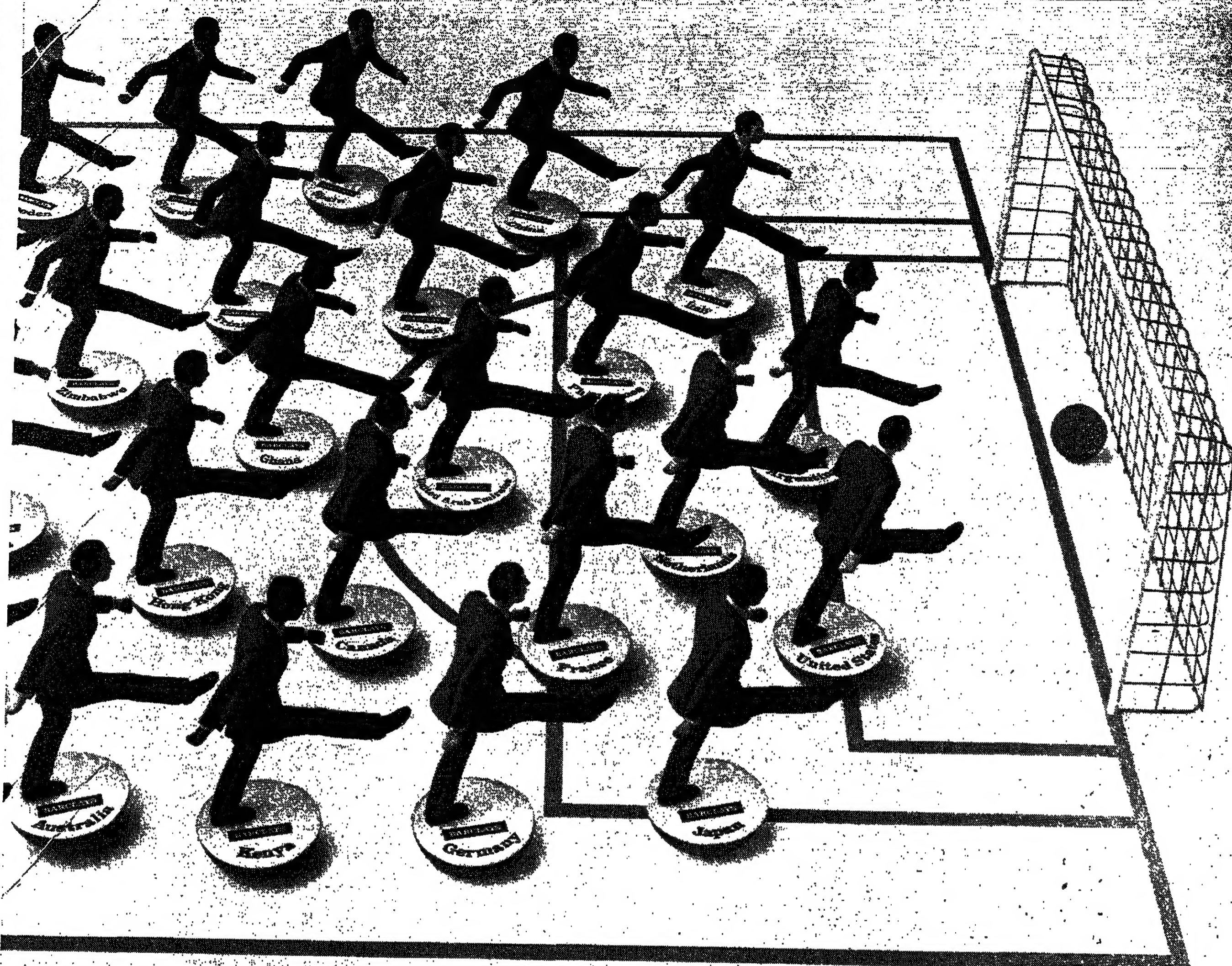
Already three-quarters of what you pay for your cigarettes goes directly to the taxman — to the tune of £4,000,000,000* a year. Surely there comes a point when enough is enough.

All you have to do is sign. And your tobacconist or newsagent will do the rest. Don't forget. The next time you're in your local shop Tell the Taxman how you feel. If you don't nobody else will.

For more information write for a free copy of the "Facts on Tax" leaflet to: Linda Murphy, Tobacco Advisory Council, P.O. Box 115, London SE1 3HG.

*Figures quoted are based on Government estimates 1981/82 and include cigarettes, cigars and tobaccos, plus VAT.

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THE ARTS

Television

Over the water

In 1966 the sea smashed the protective walls and flooded Venice, raising the water level by two metres and causing terrible damage. Five years later BBC's *Horizon* visited the city and reported in gloom on its future, discovering a plethora of plans but little action.

Last night John Julius Norwich reported lucidly on behalf of BBC2's *Chronicle*, on how the three main threats to Venice — subsidence caused by that old mischief-maker man, natural subsidence and eustasy (that is the change in the sea level brought about by the advance or retreat of continental glaciers) — were being met.

It seems now that *Horizon* was too gloom about the whole thing, that man, though incontestably, may not be entirely inept. Not that *Chronicle*'s report, or John Julius Norwich himself, was at all complacent, for the struggle to preserve Venice will be unending.

The Italians have pulled themselves together. They passed a Special Law for Venice in 1973 and took on huge loans. Internationally it has been accepted that the job is too big for the Italians alone, and countries have, as it were, rowed in to help out. Each does its own thing, which might well be the secret, selects a conservation project and gets on with it.

The British record — and John Julius Norwich is himself chairman of the Venice in Peril Fund — is excellent. They have restored the Church of San Nicolò dei Mendicoli and cleaned the main entrance to the Doge's Palace, and are contributing to the enormous task of renewing the Cathedral of Torcello.

The Italians have been very active and much has been learnt about the technical problems of keeping the city afloat. The water table is being carefully monitored, wells have been sealed, and industries draw less water from the city. There are signs that they are also more aware of the ravages of sea and air pollution and more willing to do something about it. The city has almost stopped sinking.

On the island of San Servolo, Venice's former principal hospital now houses a school for advance craftsmen from all over Europe who are taught not only the finer points of conservation but also to appreciate each other's crafts.

But the biggest threat remains the sea. Studies have been made of the Thames barrier and there is now a plan to install gates which will enable the three lagoon mouths to be closed and prevent flooding. John Julius Norwich was cautious about this, not on technical grounds, but about the speed with which it will become a reality. In 1973, only a late change of wind prevented what threatened to be an even greater disaster than the 1966 floods: until Venice's occasional separation from her historic bridge is made practical, the city is in danger.

It was a fascinating *Chronicle*, well produced by Ken Sheppard.

Dennis Hackett

Pass the Butler

Globe

Starting with a good old family ding-dong in the stately home, Eric Idle leaves you to work out bit by bit that the metal casket sleeping away centre stage is a life-support system containing what remains of the head of the household — Britain's Minister of Defence, no less, struck down by a heart attack in mid-debate and not released to competent medical authorities until his vote had been cast.

The question now facing his loved ones is whether they should keep him ticking over for old time's sake, or pull the plugs while there is still some money in the bank. Strongly favouring the first course is a butler called Butler, loyally draping a birthday tie over the drip-feed of the master whose disconnection will do him out of his job. Powerfully opposing it is the ne'er-do-well son Hugo, eager to claim the inheritance that will mop up his £50,000 overdraft. As these adversaries claim the talents of John Fortune and William Rushton, recalcitrantly pushing servile insolence and landed arrogance well over the limits, *Pass the Butler* opens on a tide of goodwill which it then goes on to pour down the drain.

As a West End comedy by a former member of the *Monty Python* team it unsurprisingly sets out to do a hatchet job on West End comedies. However, internal evidence suggests that Mr Idle has not set foot in the territory since the heyday of Agatha Christie and William Douglas Home; added to which he seems unaware of the revenge which sturdy old theatrical forms take on the would-be parodist, either by refusing to come to life or by blowing up in his face.

The price Mr Idle pays is inertia. Here is a stage full of country-home toybox figures, shortly joined by a police inspector and a journalist each masquerading as the other, all ready to add their bit of fun to the plot. Mr Idle, however, decides to switch the plot off, thus

disconnecting his own life-support system; and, as the Fortune-Rushton duel tails off, we are left with an aimless string of passing situations and passing quips — some of which are quite funny ("I'm losing my faith in atheism"), some dreadful, but none of which propels the show on any purposeful course.

As it happens, Mr Idle does have two good, strong turning points on which a robust intrigue could have been built. But, as most of his energy goes into devising one-liners and bartering on about the joint idiocy of police, politicians, intrepid aristocracy and prowling journalists, there is not much left over for such details as character or preparation of events.

Mr Rushton is always fun to watch; but too many of Jonathan Lynn's company — including Peter Jones, Madge Ryan and Annie Lambert — come on hugging a couple of broad farce mannerisms as if they would vanish if they let them go. Perhaps they would.

Irving Wardle

Heath Wind Quintet

Wigmore Hall

They owe their name to the south-east London Black, rather than the north-west Hampshire tract of land, where their members lead the appropriate sections in the local orchestra and wind band. For last year's Greenwich festival they commissioned a new work from Michael Finnissy, his so-called seventh piano concerto (there is no cogent reason why such a work must be accompanied by orchestra). On Tuesday he and the Heath Wind Quintet brought it to Wigmore Street, together with other choice items for woodwind ensemble.

Finnissy's concerto, a one-movement work, is essentially a piano solo, fast, impressionistic and robust, which becomes less splashy

in effect when the wind instruments enter and bring the composer's invention more closely into focus, with melodic interest and less hectic drive.

The lion of the keyboard roars again, and frenzy is restored for a while, before the contest between the players moves them all into another field of action. The rapid, blurred passages do not induce confidence, let alone admiration, in a listener acquainted with the subtle art of a Ligeti or Penderecki during the 1960s.

It was reassuring to hear Mr Finnissy, after the interval, playing more tidily, even with some neo-romantic tenderness, in Poulenc's *Sextet*, though even here he could be heard straining at the leash until the music allowed him to play fast and aggressively again.

The Heath Quintet, extended for Hindemith's *Sep-*

Concerts

tet and Janáček's *Mládí*, appear to be individually expert, but disinclined to play other than loud and every man for himself. The performances showed little regard for refinement of phrasing or nuance.

William Mann

LPO/Barshai

Festival Hall

A vote of thanks is due to Rudolf Barshai, who made his first appearance with the London Philharmonic Orchestra on Tuesday. The conductor, who founded the Moscow Chamber Orchestra, but who left the Soviet Union five years ago, first of all discarded from his programme any and every hackneyed overture. Instead he reminded us of one of our

native composer's achievements by playing the *Cantus in Memoriam Benjamin Britten* by the Estonian composer Arvo Pärt.

I do not think this has been heard here except at a Prom a few seasons ago, yet in its short, 10-minute span there is a work of glowing beauty and spontaneous feeling. Against a slow-tolling bell the full body of strings alone play a kind of continuous peal in a densely woven yet clearly textured fabric; a heart-felt lament, as if moving over a ground bass with a multiple division of the strings, and the effect is sad yet somehow radiant, like a thanksgiving.

A second debt to the conductor was the experience of hearing the Symphony No 10 by Shostakovich played with such unerring sensitivity of the music's inward expression as well as outward character. In this deeply

eloquent testament of one man's constancy in a darkly threatening landscape of the spirit, Mr Barshai shaped the four contrasting movements with a keen ear for instrumental balance, and particularly with a display of subtly shaded string playing that never faltered.

Between these works there was relief from weightier matters in Mozart's *A Major Violin Concerto* (K219) which brought a welcome return visit from the gifted Anne-Sophie Mutter, now aged 18 and in the process of becoming a thoughtful as well as stylish artist. She still invested the music with an ardently romantic character, adorning it with the much later cadenzas of Joachim, but the expressive inflections were more clearly related to the music's formal intentions, and the orchestra gave her sensitive support.

Noël Goodwin

Cinema

Manila aiming for the stars

After a dummy run last year, the Manila Festival has this year launched itself in a bid to provide a major Asian film festival and to take its place as one of the big five international film events, alongside Cannes, Berlin, Venice and Moscow. In terms of finance, organization, glamour, spectacle and government support, the newcomer is equipped to outdo the lot.

Never, however, can a festival have come into being against a more determined opposition. Long before it began, those invited — film-makers, critics and jury — were energetically lobbied by a French group urging boycott on the grounds that the Marcos regime should in any event not be endorsed, on political grounds; that the festival is an unjustifiable strain on a national economy whose inequalities are already blatant; and that to hold an international festival while Philippine film-makers are inadequately promoted and subjected to rigorous censorship is cynical.

The boycott could be predicted to have slight effect beyond exacerbating irritations and tensions between film-makers and the regime; but it has succeeded in starting off film-makers fearing commercially damaging reprisals from French critics. Apart from Jeanne Moreau, however, all the jury — led by Saryajit Ray and including the Pole Krzysztof Zanussi, Zolt Kezdi-Kovacs from Hungary and Delbert Mann from the USA — turned up to see fair play in a competition that includes the newest Truffaut and Fassbinder films, as well as *Gallipoli* and *The French Lieutenant's Woman*. (Truffaut and Fassbinder are not here, but their agents are, to handle potential business.)

The festival has had its local hazards, too. The underground opposition have sent letters to all foreign embassies advising that bombs have been strategically planted in the New Festival Cinema and will be exploded before closing night in an assassination bid. The more careful embassies passed on the information to their nationals; if the British Embassy received the warning, however, they forbore to pass it on to their delegation.

Our consolation for this neglect is that guests and jury are hospitably provided with armed personal body-



The aura of the First Lady

guards. At first the experience is disconcerting, after half a day it gets quite comforting, and I shall feel positively naked at the Odeon, Leicester Square, next week without a shadow and a 38 beside me. Bodyguards are also a help in choosing shirts.

Such hazards, and the omnipresence of armed security men, are not permitted to impair the determined glamour and gaiety of the event. The shows take place in a vast new building — an Albert Speer-style acropolis — that dominates the skyline and is so new that it was there last week. Conceived in August, its construction was delayed by a typhoon, two small earthquakes and a serious accident which gave bad publicity to the festival and useful fuel for the boycott. At 5 pm on the day of the opening it was still a windowless concrete shell surrounded by acres of building site, with 10,000 workmen (not to speak of security men in mufti) covering it like flies, by the time the presidential party turned up for the opening at 7.30 the place was carpeted, seated, chandeliers and fully operative. Where the building site had been were flourishing gardens with 30-foot fountains.

This kind of Pharaonic miracle is wholly due to the redoubtable Mrs Marcos, whose energy and aura are admitted even by her bitterest opponents. She is in her early fifties, but time would not have the temerity to

touch her. Very tall, she is striking even in a country of spectacularly beautiful women. She is never known by any other title than "the First Lady", which indicates the difficulty of defining her special, super-regal status beside President Ferdinand Marcos.

The cultural, social and much of the economic life of the country centres upon her, and she is as likely to think up and realize a hospital, this film festival or a new seaside resort as to throw a sudden banquet at the presidential palace. These dinner parties generally end with the favoured few being whisked off to the palace to have their legs danced off until two or three in the morning — not much later, though, because the First Lady breakfasts at 5 am. At a palace banquet, or even in a restaurant, she will leave her table to join the orchestra in entertaining her guests with love songs performed in a fine, operetta-style soprano. "It is not just a voice," murmur her worshipping entourage. "It is ten million votes."

In some respects the First Lady's festival may well prove a much better investment than her critics predicted. American moguls (the guest of honour is Jack Valenti, President of the Motion Picture Association of America) are inevitably and totally mesmerized by the palace glamour; and Manila's boast that the festival will be "the gateway between East and West" looks like being justified. A good deal of marketing and trading is in the offing, while millions of dollars' worth of American production stands to be lured to the rich and ready locations the Philippines can offer.

In another respect, though, the festival has still to counter the criticism that it pays far too little attention to the prolific Philippine film industry. The Philippine entry was withdrawn from competition at the last moment because the hosts politely felt its presence could embarrass the jury. Even apart from this, however, there is no special promotion of Philippine films, though other aspects of the national culture are enthusiastically fostered; nor as yet has there been any effort to provide contacts between the guests and local film artists.

David Robinson

Peter Jones and Annie Lambert hugging the mannerisms in "Pass the Butler"

Display of cultural signals

Mime Festival

French Institute

Mime is about movement and most of the events at this year's very successful Mime Festival have accordingly had very little to say for themselves. The main event, however, which too few people were able to see, consisted of equal parts of words and movement, a "lecture-demonstration" by Jacques Lecoq at the French Institute.

For 25 years, M Lecoq has run an important school for mimes in Paris and, whenever influences are revealed by leaders of the present revival of mime and clowning, his name recurs. His presentation (in French but with Mme Fay Lecoq trying to keep up an English

translation) made most of its points through actions.

M Lecoq's powers of observation are enormous and his physical skills eloquent. Demonstrating the basic mannerisms of walking, he elaborates the actions into historical statements and indications of character. Gestures of different nationalities, which are instantly recognizable when he presents them, become understandable cultural signals.

Combined with his elementary lessons in observation, any his gradual elaboration of imitation into the art of theatre are demonstrations of the use of the mask, historically and as it relates to the body. His basic argument is that it is easier to lie with the face than with the body, but there are many valuable clues to the theatre in his theories.

Two clowns of different

disciplines who have combined silent mime and comic character in their first collaboration are Nola Rae and Chris Harris. Perhaps it is because they are being polite to each other — they usually work alone — but their show is nearly twice as long as it need be and the satisfying moments are individual actions.

Double-UP, now at the Place, is about a double act with partners who falsely portray Siamese twins in a sideshow, all the while longing to lead separate careers. Mrs Rae, the silent one (except that she sings), hopes to be a fat lady and Mr Harris (once a Lecoq student and deviser of the remarkable *Kemp's jig*) wants to be an illusionist. They are a talented and funny pair, but the show is padded with equities.

Ned Chafflet

Paperbacks

True and farcical

Faust, by Robert Nye (Penguin, £1.75)

This is the third of Robert Nye's informal trilogy about mythic personages. *Faust* and *Merlin* were its predecessors. You know your Nye: poet and joker, scholar and misanthrope and rascal. His book is his customary juxtaposition of bitter and sweet, heroism and bawdy, religion and blasphemy, tragedy and dirty jokes. His *Doctor Faustus* is not content to live and die in Aristotle's works. Rabelais and others get in on the act. Faust is ravished by more than the Sweet Analytics. It is probably not a book for prim or puritanical aunts; though, come to think of it, it would do them good.

It purports to be written by the sorcerer's apprentice, Kit Wagner, in the form of a journal in Low German. You know the language? Well, God won't be rubbing his hands. Why not? Because he hasn't got hands to rub. Look, God, no hands. Look, Hans, no God. That sort of Low German. Faust, and Kit, and Hamlet of Troy (whose face is the sort to launch something other than a thousand ships), and seven beautiful and randy girls set off on pilgrimage to Rome. Maybe Faust is going to confess all his sins to the Pope and evade being claimed by the Devil. Maybe he is going to murder the Pope, and be rewarded by another 24 years in the sun by the same Devil.

For now they meet Luther, Calvin and much other more or less normal scatology and sex. There are those who have found it all a bit much. As usual I find Robert Nye irresistible: funny and sad, true and farcical, crude and subtle; a byword for prime and deadly serious wild comedy of damnation. I will impatiently for Nye's next, in which I believe he is going to turn from the biographies of mythical people to the mythology of historical people.

Philip Howard

The Long Day Wanes, by Anthony Burgess (Penguin, £2.95)

It is a quarter of a century since Burgess fired off his first salvo with *Time for a Tiger*. That book, and its two successors, are now revised under the title *The Long Day Wanes* (Penguin, £2.95), a surprising umbrella-title because *Tennyson* is the last man you would expect him to turn to for a quote.

It is appropriate, bearing in mind his strong musical bent, to describe these three loosely-linked novels as scherzo-impromptus on the theme of the decline and fall-off of imperialism. Malaysia is about to shrug off the British yoke and cast off into the choppy waters of independence. The satraps, with only Cheltenham in their sights, are weak and cynical and inclined to let things slide; the indigenous are wary and

apprehensive and touchy because they know they are not in any valid sense indigenous at all but an ethnic amalgam much more jumbled than — if only they could have known — present-day Southall, Middlesex.

Burgess is not here — and has not ever been since — much of a one for a plot. His brilliance and inventiveness expend themselves, probably more rewarding, in other directions. Crabbe, the warty educationist, is the only character to last through the three books and hold the whole thing together between listless finger and thumb. Nobby Adams, the warrant officer with the wholly unshakeable thirst, the King-linguist pirate who, inspired or no, Empire, will sail around somewhere east of Suez till cirrhosis of the liver cries final halt, is the most memorable character; but right from opening to end Burgess provides abundant entertainment, tinged with grimness.

David Williams

Spain, by Jan Morris (Penguin, £1.75)

By her own admission, Jan Morris has always projected her vision of today into an evocation of yesterday. Nothing, then, could be more natural than her love-affair with Spain, a country which feeds upon the past. "A cloud of dust left in the air when a great people was galloping down the highroad of history" is how one philosopher described his proud, aggressively beautiful land. A fragment, almost an island, crudely soldered to the shape of Europe, it has slipped into our time with one Quixotic eye on a brief but dazzling moment of supremacy in the sixteenth century.

Just as its culture is a rich image of Iberian and Roman, Christian and Moorish — the Moors who crossed the straits in 711 stayed for 700 years — so is Spain a land of polarities, in its climate as much as its landscape; a land of sun and shade, or *sol y sombra* as they call the two halves of the bull-ring. Travelling from the Pyrenees, through the old cities of the interior to holy parades on the Maraga coast, Jan Morris unites all in prose as pungent as the past it evokes. Whether in a café, drinking chocolate first tasted at Montezuma's court, or leaning over bridges and up cathedral steps, she is an infectious companion and a marvellous writer. Much more than another travel book, Spain is a required passport for those who desire access to the hidden corners of this nation that still partly thinks it is an island because Don Quixote once said so.

Nicholas Shakespeare

Opera

The Queen of Golconda

Nottingham University

Nottingham University Opera Group have a proud record in exploring the byways of nineteenth-century opera. They have revived numerous pieces over the last two decades that once used to fill the theatres of Europe. Their latest revival is of a work that did not reach the stage at all in its own day. Franz Berwald's last opera, but had its premiere in Stockholm, only in 1968, on the centenary of his death.

Berwald was aware of what was going on in Europe in the 1860s, but did not much approve of it. For his *Queen of Golconda* he chose a plot of a century old, which served nicely for an eighteenth-century opera comique with all that implies in terms of convention and artificiality. To treat such a tale in a mid-nineteenth-century idiom was to risk building in a contradiction: one is not always sure, for example, when his villains are meant to be comical and when serious, and his style is constantly too weighty to marry with the text's genteel frivolity.

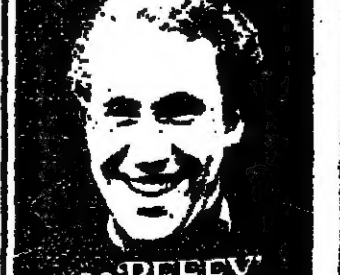
Yet the music is a constant source of pleasure and fascination. There is a noble central scene for the baritone hero, an extended monologue of a flexible, very French kind, and it is succeeded by a duet with broad lines, original ideas and a brilliant burst of colour at the end. The music for the Queen herself, composed (in vain) for Christine Nilsson, has much high coloratura, and individual hint of elegance. There is a rousing conspirators' chorus to end Act I; earlier their chief has made it clear that he is about as dangerous as a *Rudgore* bad bar. There is a magnificent opening to the last act, bold and grand, with long lines and dramatic modulations, to fit the prevailing tragic situation; except that we cannot believe in the reality of the tragedy — nor are we meant to — so the

gesture is essentially empty. And that typifies Berwald's failure, for all the variety of colour, the melodic appeal and especially the harmonic richness of his score, to provide a workable relationship between music and drama.

The performance excelled anything I have seen at Nottingham before. An undergraduate conductor, James Holmes, did wonders with the orchestra and kept the score moving splendidly. Heather Highton's design imaginatively supplemented the raked stage with angled steps, and it was resourcefully lit. Michael Hunt, dressed in cast purple, superbly but attractively and had them acting with conviction. In the second soprano role, Zelle Elaine Padmore gave a lesson in style, skill and musicianship; but the Queen, Bronwen Mills, if she is not a first-class singer, is a superb actress. Too many male singers to mention, but the standard was admirable. So was the choral singing, uncommonly so for a university production.

Stanley Sadle

SIMON CALLOW



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Also: A special feature on the Cockcroft report on mathematics.

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BOOKS

Hawks, doves, gulls and cuckoos

The Baroque

Arsenal
By Mary Kaldor

(André Deutsch, £7.95)

The Nuclear Barons
By Peter Pringle

and James

Spigelman

(Michael Joseph, £12.95)

Nuclear Illusion and

Reality

By Solly Zuckerman

(Collins, £7.50; paperback

£4.95)

One of the principal dangers posed by the current resurgence of the Campaign for Nuclear Disarmament is not that it will cause this country (or, for that matter, any other) unilaterally to abandon its nuclear weapons. No government, present or foreseeable, is likely to behave in such a quixotic manner; international security is too complicated a matter to be susceptible to the slogans of instant protest. What is more likely is that the shrill and generally uninformed clamour of the "peace movement" will submerge and ultimately silence the voices of those who are seriously concerned with disarmament.

Already anyone who casts doubt upon the methods or the motives of the unilateralists is likely to be pilloried as a hawk or cold warrior who can hardly wait to get his hands on a few megaton warheads and "destroy mankind several times over" to borrow the confused newspeak typical of the protest industry. This conveniently obscures the fact that many who criticize CND and its allied groups are neutralists and pacifists do so because they believe that if the unilateralists succeeded they would make genuine disarmament much more



Anti-nuclear photomontage by Peter Kennard

difficult to achieve and war much more likely to occur.

A more immediate danger is reflected in the anti-Americanism of the anti-nuclear movement. The propaganda of CND, this insidious moral asymmetry is vividly exemplified in a new book by Mary Kaldor, a stern critic of western defence policies who now turns her attention from nuclear weapons to other forms of advanced military technology, whimsically described as "baroque" weapons. The message, however, is much the same. Modern armaments, we are instructed in the painful jargon of the nuclear scientist, are exclusively the province of the military-industrial complex of the United States and her allies; the "conservative" Soviet Union has been forced

to follow suit. Some idea of the profundity and objectivity of the research which has gone into this tired farrago may be deduced from Miss Kaldor's acknowledgement of the "grotesque" Vickers-Elswick "whose experiences inspired many of the ideas in this book."

A more ambitious undertaking altogether is that of Peter Pringle and James Spigelman, who have set out to cover "the full story of atomic energy policy in every country that has gone nuclear." The publishers' promise of "cool objectivity" is somewhat at odds with the title of the book and its subtitle — "The inside story of how they created our nuclear nightmare." The conclusions of the authors include the proposition that the concept of nuclear deter-

rence is "truly insane, a manifestation of intellectual barbarism"; and the suggestion that "even without the link to nuclear proliferation, nuclear power carries dangers of a magnitude that we ought not to accept." No clear idea emerges as to the provision of alternatives in either case.

It is a relief to turn to an analysis by someone who has been deeply and closely concerned with problems of this kind and whose intellectual distinction is self-evident. Lord Zuckerman has identified some of the crucial elements in the generally confused arguments about nuclear weapons and deterrence. He argues convincingly, as he has been doing for 20 years or more, that the concept of "limited" or "tactical" nuclear war is a grotesque aberration; that both sides in the nuclear confrontation already have more than enough nuclear weapons for the needs of security; and that arms limitation is an essential ingredient of future survival. He proposes the eventual abandonment of research and development on nuclear weapons; but "there are powerful reasons why Britain should not espouse the cause of unilateral disarmament."

Lord Zuckerman's book expounds the classic case for multilateral arms control and disarmament with authority and humanity. It leaves in the mind two ironic reflections. One is that the three former Prime Ministers who extol the virtues of the author on the dust-cover might have done better to listen to him more closely when they were in office; and the other is that, although Lord Zuckerman has effectively demolished the case for unilateral disarmament, he will continue assiduously to quote him, out of context, in support of their campaign.

Alun Chalfont

Maps and Dreams

Indians and the British

Columbia Frontier

By Hugh Brody

(Jill Norman/Hobhouse,

£7.95)

I must have flown over Hugh Brody's territory once, when I was anxious to reach Dawson City before winter locked it in. Down below, his Beaver Indians would have been withdrawing from their trappings to begin a holiday season during the snowbound months. That has been a pattern of their tribe since long before the white man came to the sub-Arctic of British Columbia; and if enough people pay attention to Mr Brody's book the Beaver may be allowed to continue in their ancient ways — in spite of the Alaska Highway natural gas pipeline, which threatens their culture and economy more completely than even the combined assaults of fur traders, bootleggers and "sporting" hunters have managed to.

Mr Brody taught social philosophy before becoming hooked on the Canadian North, and in 1978 he dropped anchor among the Beaver as part of a research project commissioned by the Union of British Columbia Indian Chiefs. He was expected to do what he expected to do within a few weeks, but ended by remaining for three years. We may be thankful

for that because this unusual constructed but fascinating book is a result. Its 16 chapters alternate between a social scientist's report (an uncommonly well written one, I may say) and an extended description of Mr Brody's own experiences among the Beaver, executed with the touch of a novelist's hand. The scientific chapters include a large number of clear maps and diagrams which illustrate hunting habits, berry-picking areas, Indian camping sites and so forth. The whole fits together with the felicity of that damned cube.

It is a hunting economy that has enabled the Beaver to survive — and there are more of them now than there were when the European arrived. There are rainbow trout and Dolly Vardens to be taken from the rivers; moose, elk, caribou and deer to be shot on the forested land. There is no wanton killing, just as much as is needed for the pot (but on the Halfway Reserve, white "sportsmen" shoot four times as many moose in two months as the local Indians take in one year). The Beaver are despised for this way of life, as well as for the fact that they can get hopelessly drunk on liquor taken from the rivers; more probably, they are despised when they have time on their hands. Yet the most striking thing about Mr Brody's account is the dignity of these people living untidily just above the poverty line, and their attachment to the skills and other ways of their past.

Lonely impulse

High Ambition

A Biography of Reinhold

Messner

By Ronald Faux

(Gollancz, £9.95)

Because it's there is not a sufficient reason for most of us. I can see that there is peace and beauty and silence and absence of telephones in the highest places on earth. But you can find all of them without vertigo and frostbite. Dante got it right when he made the deepest hole in the inferno not hot but cold, cold as hell. Messner is the Austrian nutter who climbs mountains the hard way. He chooses the most difficult routes. He trots up Everest without oxygen because such artificial aids would lower the mountain. The essence of his climbing style is speed, because at such high altitudes brain deterioration begins. Uh-huh, say most of us.

Readers of *The Times* will know Ronnie Faux as a fine reporter with a taste for outdoor activities. He went up Everest for us, and was only dissuaded from having a go at the summit by the need to file copy. He has mountained the world, and has been squeezed with caution. His book captures for plainlanders something of the excitement of high places, occasionally losing us in mountaineering metaphysics: "The core of his mind is numbed, but his body reached out for that ultimate point."

It does not satisfactorily explain why. Climbing has become for Messner an act of introspection, of watching, almost dispassionately, how he himself reacts to the extreme circumstances into which mountaineering puts him. Messner's own book, *K2 Mountain of Mountains* (Kays & Ward, £12.50), which he went up without any of that cissy oxygen again, throws some light on the megalomania and personality conflict up the big mountains. Messner writes that he felt let down by one member of his team on a personal level, by another as a climber. Most of the text is Sandro Gogan's diary. What we need is some mountaineering in the human spirit, like Graham Greene to explain the lonely impulse of exiles that drives men to the highest places on earth. But then, of course, the highest mountains are not physical ones. But for Icarus' sake don't tell Reinhold Messner that.

Philip Howard

Ancient of faces

George Richmond

By Raymond Lister

(Robinson, £35)

It is surprising that until now no proper biography of George Richmond has appeared, since he was one of the best as well as one of the most prolific nineteenth century British portrait painters. His original works and the price of his paintings are familiar to many who would be hard put to name the artist. However, he was far more than a mere Winterhalter, a recorder of public faces, his sitters are alive; and more than a sensitive portraitist, since his early association with Blake influenced his thinking for much of his long life.

As a young man, Richmond, together with Palmer, Calvert and a small group of like-minded friends, formed "The Ancients", who gathered at Shoreham as disciples of Blake. Despite his later worldly success — on one occasion in the 1870s he was paid one thousand guineas for a portrait — he never lost touch with these early friends, and the Ancients continued to hold monthly sketching evenings well into middle age.

Almost everyone of power and influence in Victorian England sat to him, with the exception of the Queen herself, who may have resented his refusal to record Prince Albert on his deathbed. His own influence on the artistic thinking of the time was marked. Raymond Lister, a fellow of Wolfson College, Cambridge, and a noted Blake scholar, shows Richmond to have been a most sympathetic man as well as a considerable artist. At times a formidable Victorian paterfamilias, his sternness was leavened by a strong sense of humour, and to the end of his life he celebrated the anniversary of his elopement to Gretta Green with the sister of a fellow Ancient.

Huan Mallahieu

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Social history on the cards

The Complete Catalogue of British Cigarette Cards

Compiled by The London

Cigarette Card Company

(Webb & Bower, £12.50)

Once caddled eagerly by small boys "got any fagcards, mister?", cigarette cards have become serious and often expensive business. Some sets from before the First World War are fetching £1,000 and more and last year a single card, thought to be the earliest issued in Britain, was auctioned for £510. Collecting has got so keen that in the last five years prices have risen on average by 140 per cent, with cricketers and film stars in particular demand.

Why should otherwise rational human beings be prepared to pay such extraordinary sums for little pieces of coloured cardboard? The answer, surely, is a combination of scarcity and nostalgia. Since they were stopped in 1940 by the wartime paper shortage, very few cards have appeared in cigarette packets and the field has been largely abandoned to the confectionery and tea companies. It seems unlikely there will be cigarette cards on any serious scale again, certainly nothing to match the 600 million sets of "Railway Engines" which Wills printed in 1936. The appeal of the cards is not hard to understand: they are attractive to look at, frequently informative, and they faithfully reflect the social history of their age, whether depicting wars, coronations or such rich anachronisms as "Military Uniforms of the British Empire Overseas".

This handsomely produced catalogue lists every known set of cards issued since 1888, grouped by manufacturer and with current prices. There is a brief history of the subject and hints on collecting cards and storing them. Above all, the cards themselves, more than 600 of them, are illustrated in their full, coloured splendour.

Peter Waymark

Science fiction

A Better Mantrap

By Bob Shaw

(Gollancz, £6.95)

There are certain names in SF that come round again and again like a revolving door. And, by now, you'd expect such whizz-kids to be fairly conventional in their views. Not so. Such is their impetus from the genre that, although they're rarely lost from its moorings, they're still always disposed to a certain amount of revolution. Mr Shaw is one of these.

His clutch of stories, while always being tethered to vivid and credible characterization, yet manages to do all kinds of things with SF. In "Dream Fighter" he's reworking the idea of the best boxing movie ever made, "The Set-Up" but via an aging pugilist-psychic whose specialty is creating nightmares for others. In "Frost Animals" the detective story becomes the take-off point for a suspect away on a space exploration, pursuing the real killer 18 years after the crime. "The



If I forget thee, O, Jerusalem

The Holy City in Literature

Edited by Miron Grindea

(Kahn & Averil, £7.50)

Mr Grindea has compiled an anthology of literary references to Jerusalem from the time of David and Solomon to the present day. Almost all the authors are Jews or Christians, though a handful of Moslem or Arabic extracts are included, not particularly interesting ones and their inclusion, perhaps more to give an impression of comprehensiveness, like having a trade unionist in the board room (and a number of minor errors show editorial unfamiliarity in this area).

With Jerusalem as the sole theme a thousand anthologies could be compiled without any duplication. The choice must be personal, and it would be absurd to complain of favourites omitted. Mr Grindea has cast his net happily wide, taking in descriptions by visitors to the real city, and dreams from afar of a celestial one. Chesterton rubs shoulders with Langland, Willibrodus with Wesley, Koestler with Maimonides, and there are many unknowns we should be grateful for being introduced.

In the introductory note to the final of his ten chapters Mr Grindea joins the noble army of visionaries: "It may yet dawn upon the lazy consciences of clumsy politicians and narrow sighted theologians the true meaning of the Holy City is the assertion of the fundamental unity of the spirit." Perhaps Graham Greene is nearer the mark when he writes: "Jerusalem's existence will always seem temporary and elusive as if she stood in the eye of a cyclone." But on the whole Mr Grindea avoids the politics of the jarring sects, though some may think he carries discretion too far when he speaks of the city having in the last few years received "the seal of modernity, energy and optimism." Is this the way to describe the terrible high-rise structures which for strategic reasons now ring Jerusalem, as menacing as the encircling armies of Nebuchadnezzar or Titus?

E.C. Hodgkin

Many faces of Boz

Dickens:

Interviews and Recollections

Edited by Philip Collins

(Macmillan, two vols, £15 each)

Professor Collins, whose vast literary output on the subject of Boz has turned him into something of a one-man Dickens industry, has filled 537 pages with striking evidence that, however right Longfellow might have been about everybody else, he was spectacularly wrong about Charles Dickens. His verdict, based on anything but passing acquaintance with Victorian England's best-loved author, was that "Dickens saved himself for his books, there was nothing to be learned in private — he never talked."

These two volumes of observations, culled from the recollections of men and women who either knew Dickens or watched him at work and play (often the same thing for this phenomenon enunciated by Dickens's biographer John Forster: "His literary work was so intensely one with his nature that he is not separable from it."

As Professor Collins has produced no fewer than 72 chapters, we have to accept with good grace a great deal of reiterated and sweeping flattery about Dickens. In this respect, the effectiveness of the first writer Percy Fitzgerald is archetypal: "He was always unspoiled, never subject to any humours, or changes or caprices." It was, of course, precisely because he was guilty of all these charges and changes, plus a hundred others, that Dickens was the most mercurial private and public figure of his day.

It could also be argued that if Dickens's acquaintances cannot even agree about the colour of his eyes (variously described as black, warm

grey, light blue, and green hazel), their testimony in other respects must be suspect. But, the clever thing about Professor Collins's editorship of these reminiscences is that he gives us eye-witness accounts of a man who is constantly evolving, from writer to writer, actor, from national idol to international celebrity, from young dandy ("a rather exuberant display of jewellery on his vest and on his fingers") to autumnal and witless squire of Gad's Hill ("worn by slowly rolling years, pale fragile and stooping").

No single figure rises, then, when we ask after reading these two volumes: "Will the real Charles Dickens please stand up." There is an infinity of them.

Dip into Professor Collins's two volumes where you will find some fascinating or half-forgotten tidbit about Dickens beckons to be savoured. We are assured that he changed his collar several times a day; combed his hair a hundred times a day; was an insatiable cigarette smoker; and remembered points in his public speeches by imagining them as spokes in a wheel, which he would remove one by one until nothing remained but the rim, and nothing more remained to be said.

Peter Davalle

Wet among the Peers

Their Noble

Lordships

By Simon

Winchester

(Faber, £7.95)

Every now and then some back casting around for an idea for a book hits upon the jolly-sounding notion of a contemporary survey of the hereditary peerage. It all seems good clean fun — interviews with publicity-minded peers (perhaps the odd lunch?), a round-up of a few black sheep, acres of figures about landownership, analyses of titles, a Gilbertian look at the House of Lords and some sort of "spirit of the age" conclusion. Mix in plenty of clichés about feudalism, footmen and forelock-tugging, some hereditary solecisms, a deal of inverted snobbery and there you have it. The trouble is that these ludicrously "bad" books written by people blissfully unencumbered with the slightest knowledge of the subject often sell quite nicely, and what is more, they are self-perpetuating. Each of them tends to repeat the same old mistakes, to miss point after point and to parade the same dreary prejudices to the extent that to disabuse readers of all this drivel becomes well-nigh impossible.

The latest to try his hand at this type of book is Simon Winchester, a drippingly wet liberal who made his name on *The Guardian* by sucking up to the IRA and sneering at Solzhenitsyn (remember Levin's crushing reply?). His first effort, printed three years ago, fell foul of numerous lordly lawyers and had to be withdrawn when already under stress. Orders. Some of the problems were caused by the effects of the Rehabilitation of Offenders Act, though in this revised edition Mr Winchester has gone as near as makes no difference to naming one particular

Marquess who was a guest of His Late Majesty for three years. Apart from the cuts imposed by the lawyers, one wonders how much real revision has been undertaken by the author; the book is frequently out of date. The learned Sir Iain Moncreiffe of that ilk has clearly had a hand in the overhaul; many of the peppy footnotes can be confidently attributed to this colourful scholar. In fact some of them flatly contradict what is stated in the text above which makes for a rum read.

To be fair to Mr Winchester this second attempt is an improvement on his first — as far as I can recall the "suppressed" version contained about one mistake a page, this time the average is nearer one every two-and-a-half pages. As he has regaled us with so many meaningless statistics I offhandedly by way of exchange from a total of some 250 pages of actual text (as opposed to absurd maps, corny or pointless epigraphs, etc.), I counted very nearly 100 errors ranging from really whopping howlers to mere misspellings of names. This is surely unacceptable for any book with even half a claim to be taken seriously.

To my surprise, Mr Winchester acknowledges me as being "particularly helpful" in his preface, though I don't recall doing more than giving him permission to quote from Burke's editorials. I was also somewhat taken aback by Mr Winchester's descriptions of my reviewer as "financially harassed" and as a "cayard" (female figure) — actionable, perhaps? Looking through my heavily annotated copy of *Their Noble Lordships*, I see that my marginal comments start by being pedantic, then become incredulous, angry and obscenely rude. Long before the end I was reduced rather in the manner of Evelyn Waugh, to just scribbling No, No, No, No.

Hugh Montgomery-Massingberd

Fiction

The Great Fire of

London

By Peter Ackroyd

(Hamish Hamilton, £7.95)

The Woods

By David Plante

(Gollancz, £7.95)

"To think that you could just take Dickens and bundle him into the twentieth century. We don't live in the same world," Peter Ackroyd, citizen of no mean first novel. He is determined to drive us back to Dickens; and he does. Skillfully, in a story shot through with pity, menace, and recognition that all of us — the quick and the dead — are implicated in each other's lives, Mr Ackroyd demonstrates that you can take a Dickens anywhere.

The vortex, in his whirling cyclorama, is Spenser Spender's movie project, *Little Dorrit*. Short, cinematic chapters cut back and forth across a vivid collection of Londoners: Audrey, Tim,

Laetitia Spender, Andrew, Pally, Rowan Phillips, homosexual lecturer at a Cambridge "resembling a film set which had been left standing for too long"; Little Arthur, dwarf proprietor of Fun City's pinball machines, grotesque only in degree of desperation. By chance or instinct, each spinning in private, joyless obsession, they gravitate ever closer to *Little Dorrit*; some to disaster.

Mr Ackroyd is not the best English novelist yet to capture London's disorienting disappointments; its posturing, cheap bravura; its dreadful carelessness, applied by Londoners to Londoners. But his understanding of the best, like Sam Weller's knowledge of London, is extensive and peculiar; the poor and the unloved; "banks of television sets in windows, each with the same image." A properly dramatic climax is scarcely needed. In the time-capsule of a bus journey, a child tries to spur silent parents into conversation and contact: "Mummy, are there always flowers after winter?" In Eating Common a spiritualist medium answers the telephone: "You have to realise, my dear, that I can't work miracles. Not even for

my regulars." Here's richness. Now and again a novelist gives infinite riches in a little room. *The Woods* is David Plante's eighth book; a third interior landscape scrutinized with extraordinary intensity by Daniel Francoeur, a young man with miles to go before he sleeps. We have met him before, in *The Family and The Country*. *The Woods*, through which we go back to Daniel at 18, is also set in New England. There, almost no plot; only time, and space. Perfectly written, in tones as hushed as the snow which is Mr Plante's characteristic image of silence and separation, it lacks for nothing in 120 pages of muted, scrupulous prose.

Daniel's consciousness contracts to obsessive awareness of and concentration upon the body. For a young man, the world itself can be a body: his own, a girl's; a dark planet he longs to know, but wants to keep inviolate. Daniel's relationships with his college roommate, with a girl spending the summer by the same bright lake, and with his older brother in the Marine Corps, teach him that for all his struggle to see, through the body, to the

soul, the body has promises to keep. It has to work; he is tired; he is sent out to war, and die.

The Woods is lovely, dark, and deep. In natural, powerful metaphors it reflects and contrasts our longing for a different world with the fact that we must live and die in this one.

Days of Greatness, by Walter Kempowski (Secker & Warburg, £7.95): Leila Vennewitz translates this large, exuberant novel — at once a mosaic of affluent North Germany between 1900 and 1918, and a personal chronicle. Walter Kempowski's forebears were shipping magnates and factory owners in Rostock and Hamburg. His book, part of a series of novels published to praise at home, dovetails a merchant-prince-and-princess romance into jostling, opulently detailed scenes of family, social, and business life before and during the first nightmare of dugouts and defeat.

An English aunt, arriving in 1903 as a young bride, finds "an old-fashioned world but a good one where one could not help but feel at ease."

Gay Firth

The missing half million

— out of work and out of the statistics

by Frank Field MP

Tuesday's unemployment figures showed that a record one in eight of the workforce is now without a job. Throughout the year that the Prime Minister exchanged blows with the Opposition, the House of Commons has another chance to speak as the nation feels.

Many unemployed in my constituency appear distinctly schizophrenic when asked about their joblessness. A quiet anger is combined with a private grief and guilt. Although Mrs Thatcher emphasizes that unemployment is the price we pay in our fight against inflation, many feel their unemployment is partly the result of their own inadequacies. The Pool Law tradition, in which poverty and unemployment were signs of moral failing, still stalks the country, with this irrational feeling of personal guilt which helps to explain why unemployment can rise so high and so fast and there to be almost no extra-parliamentary threat.

But there can be little doubt that unemployment is borne as a private grief. One of my young constituents — now in work — described the cycle of events which is common to many unemployed people. At first he had to be told that he was not to have to go to work. But that did not last long, particularly as he felt he was getting under his mother's feet — and there's a limit to the amount of decorating you can do. Any job was taken, or the duration, or how low the pay, providing it got him out of the house.

I asked what was the worst thing about being unemployed. "It's when you come back from another interview after being turned down yet again. You feel such a failure. Often I cry."

One of the questions which has featured in the Commons this week is how accurately the official figures reflect the true level of unemployment. Some people maintain that there are claimants who, although registered for work, are being unwilling to take a job if one was offered to them. It is difficult to quantify how many unemployed claimants are in this position, and the only true test of a person's willingness to work is to offer him a job.

Then there are those who have retired early and, to gain credits on their national insurance card, are registered as unemployed, even though they have no intention of taking a job. The Government estimates that there is a seventh person who is jobless and is seeking work. In addition, 550,000 workers are kept from joining the dole queue by one or other of the Government's employment and training measures.

On the other hand there are those who argue that the official figures significantly under-represent the true level of unemployment. This week's figures put the jobless total at 3,070,500. But the Department of Employment asserts that four groups of claimants are excluded from the unemployment count. These are:

- Adult students 10,401
- Temporarily stopped 31,705
- Non-claimants seeking part-time work 45,696
- Disabled unemployed seeking sheltered employment 11,934

Officially this group of 100,000 unemployed is invisible for purposes of the Department's count.

Government surveys show there is an even larger number of claimants who are actively seeking work but are not registered as unemployed. The main reason is that they are not entitled to National Insurance benefit and are often ineligible for supplementary benefit.

If jobs are scarce, many unemployed claimants feel there is little point in registering. Some are very poor — at the last count in 1977 150,000 had incomes below the poverty line.

The rules requiring claimants to register for work before they can claim benefit are being reviewed. Already the Government has brought in one reform whereby unemployed men over 60 can claim the higher supplementary benefit rate providing they take their names off the unemployment register. So 21,000 claimants have opted for this.

These unregistered unemployed are estimated to be 330,000 in 1979 and the provisional estimates for 1980 suggest a similar number. Overall, therefore, the number of unemployed who do not appear in the official statistics is almost half a million — putting the true level of unemployment at around 3½ million. This figure is below the TUC's estimate but it does mean that for each six people registered as unemployed there is a seventh person who is jobless and is seeking work. In addition, 550,000 workers are kept from joining the dole queue by one or other of the Government's employment and training measures.

Part of this week's Commons debate has concerned itself with what policies are likely to increase the numbers in work. Mrs Thatcher stresses now — although she did not when in opposition — that demographic changes are making the unemployment position worse. Over the next five years the labour force will grow by almost 700,000, and so in today's debate Labour needs to emphasize how long it will take to regain full employment. More and more it looks like a programme for two Parliaments.

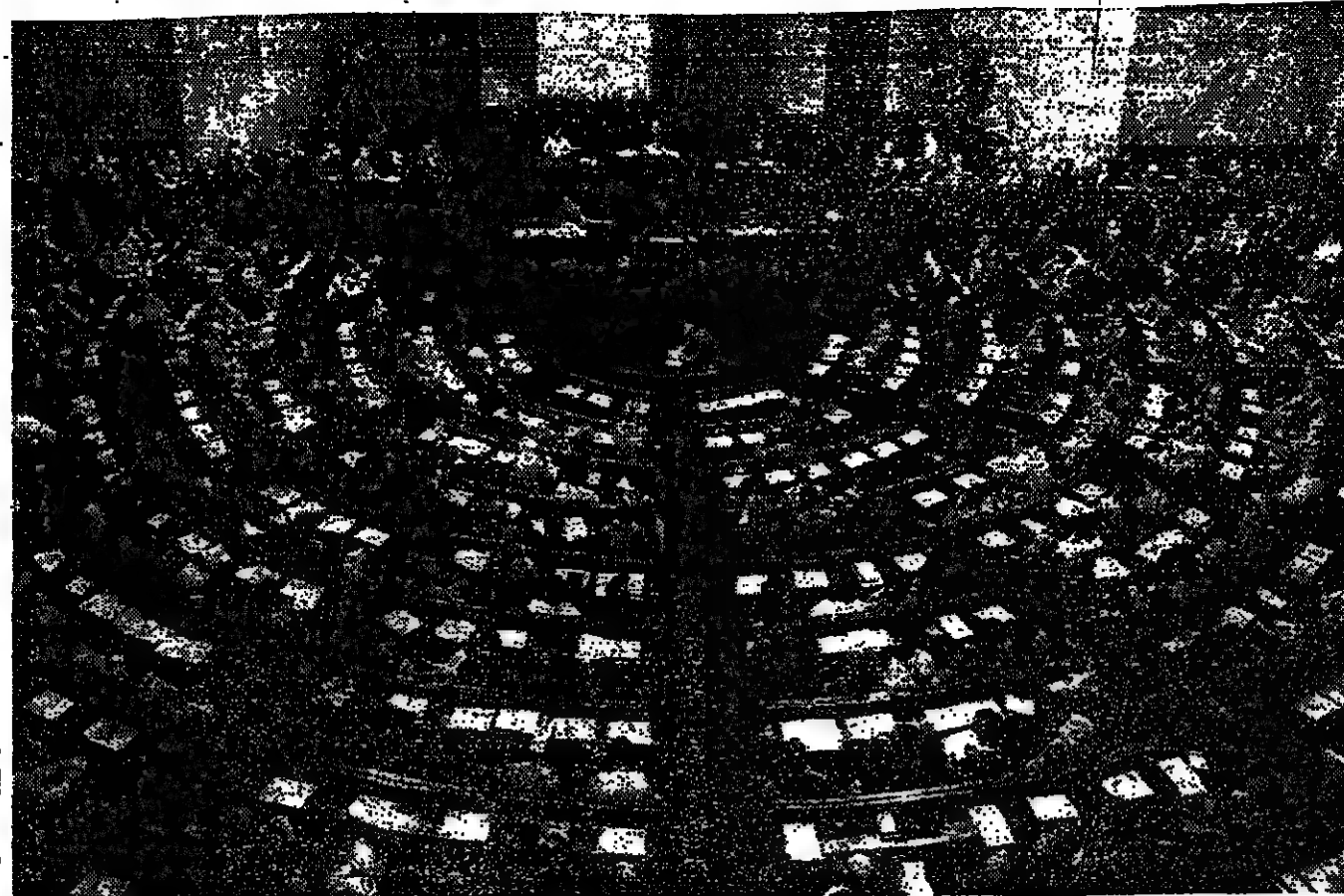
If that is so, it is important to consider as well how to share more equitably the cost of unemployment. If the Prime Minister is right in her assertion that people have been conscripted into the army of the unemployed in order to wage the battle against inflation, it is crucial that we treat unemployed claimants fairly in the benefit system. That is not the case at present.

National Insurance unemployment benefit lasts for up to 12 months and is paid at a much lower level than most other insurance rates. Similarly, unemployed claimants dependent on supplementary benefit never qualify for the higher rate of supplementary benefit, and the long-term unemployed are treated as a class apart. The loss of a job can mean a sharp drop in income, and the loss of a job can mean a sharp drop in income, and the loss of a job can mean a sharp drop in income.

Nothing else it will have been a general agreement is formed on the need to spread the cost of unemployment more fairly. A better deal for unemployed claimants will mean that those of us lucky enough to be in work will have to foot the bill.

The author is Labour MP for Birkenhead.

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The Sejm in session: slavish loyalty is again the fashion

Poland: back to the rubber stamp

Roger Boyes reports from the Warsaw Parliament

Statistics have become a substitute for facts since martial law was imposed in Poland, so it was no surprise to hear that two days of debate in the Sejm (Parliament) had produced more than half a million words, and no surprise either that someone was counting.

Probably the most telling, the most damning of these words came late on Monday night when a flushed deputy stood up and shouted at the liberal-minded Karol Malczuk: "How dare you lecture our leader! What gives you the right to criticize him?"

Slavish loyalty is back in fashion in the Sejm. Out of 460 deputies only five abstained and one voted against the martial law decrees this week — even though military rule had been proclaimed, unconstitutionally, without Sejm approval.

Talk to one of the deputies in the Communist Party faction (51 per cent of the chamber), a member of the reconstituted Roman Catholic Party, or one from the "satellite" parties, the Democratic and Peasants parties, and one receives the same bland stare: nothing has changed under martial law, we are still the vital, crucial organ that we were seven weeks ago.

Talk to one of the five abstainers and the impression is different: they are mourning for a lost opportunity, the loss of a chamber that could have channelled public discontent to the Government, playing a moderating role, interpreting the Government to the people and modifying Politburo initiatives.

That role, though it sounds hopelessly ambitious to other East European brought up on the fact that the Politburo makes decisions and Parli-

ment ratifies them without demur, was achieved in the Poland of Solidarity. Slowly, Poles who had lost faith in the party, their bureaucracy, shopkeepers and their currency were beginning to believe in the Sejm. Though dominated by members of the Communist Party and though clearly not democratic in a western sense, no free elections — it had developed democratic instincts, setting strictly defined limits on the power of the party.

Now, under martial law, the party has little power to limit and it is difficult to see how the Sejm can be anything more than a polite, uncritical legitimiser of policies shaped by the military council.

Yet the old critical Sejm could be of greater service to the military leadership. The better to learn of resistance to autocratic legislation in Parliament, where deputies have immunity from prosecution, than wait for that resistance to spill over in the streets.

In the six months before martial law was imposed, the Sejm had changed the focus of proposed legislation, deleted what it saw as repressive clauses and actively spoke out in favour of solidarity, or at least its moderate faction. Yet when Mr Malczuk, who is not affiliated to any party, spoke of the nonsense of pretending that there was now "public consultation" over food prices — there is no way of consulting anybody as all unions are suspended — he was greeted with hoots of derision.

Solidarity was mentioned only in combination with the words "extremism" and "anarchism". The Sejm's collective memory appeared to have been wiped clean in the past weeks of suspension.

The Military Council partly blamed Parliament for having to impose martial law in the first place. The Government, said General Jaruzelski, had repeatedly called for an emergency powers bill that would, if necessary, suspend the right to strike. But Sejm deputies, in sympathy with Solidarity's aims, had said there was no room in the legislative programme for such a bill or had tried to temper it.

The relative independence of the Sejm which in theory (that is constitutionally) has wide-ranging powers — was rooted in two main factors. First, under the leadership of Mr Edward Gierlek, the potential independence of the chamber was misjudged.

"He thought we were sheep," a Pax deputy said. "But in fact we were simply humans in sheepskin coats." At the first meeting after the toppling of Mr Gierlek these deputies showed their independence by passing a motion discreetly welcoming Solidarity.

Second, the Sejm's power was directly proportional to the erosion of party influence in the country. The party had shown itself to be out of touch with national feelings and the Sejm steered the party's leadership away from a Gomulka or Gierlek-like fate by showing what would be unacceptable to ordinary Poles.

Neither of these factors has disappeared. The Sejm still has wide theoretical powers and the party is still out of touch with the needs of real Poles: it could thus be of use to the generals — if only it were given the chance.

The people want, they have a perfect trust-party issue to put to a referendum. But it is hardly necessary. The signs of public opinion already exist to be read, from the protests of ordinary women all over the country against precisely the kind of shops which the Government now proposes to let council licence to the welcome of intellectually tortuous conversion of the women's libbers who have done as much as anyone to promote the kind of society without restraints which has given birth to the rape culture but who now unite against rape.

Sophisticated and liberal people will counsel Mrs Thatcher not to respond to populist fervour. Popular opinion, however, has its rights. One of them is to expect the government as best it can to protect the person of every citizen.

This is a problem that will not be wished away by legal and penal adjustments to deal with crimes already committed. We have at least to acknowledge that the rise of this particular crime is the sign of a degenerate society and to ask how we have come to sink so low.

Mr Whitehead is plainly unwilling to take the Home Office by the scruff of its neck. Knock some of the libertarian nonsense out of it and bring it into touch with reality. Perhaps Mrs Thatcher can remind him that it was not this elite but the mass of the people who put them in power. If they have any doubt about what the mass of

Turning Land's End into Eldorado

"I certainly didn't buy it so that I could be called the Fifteenth Master of Land's End," said David Goldstone, the Welsh-born solicitor and property millionaire who last week pipped the National Trust to the post — or rather the outpost — by paying more than £2m for Britain's most famous piece of coastline.

Land's End came on to the market last summer with a minimum price tag of £1.75m after being in the ownership of the New-Hill family for more than three centuries. Rumours that a foreigner might buy it sparked off fears that it would be closed to the public. A member of the House of Lords speculated that it might be cut off and towed away to a sale to a commercial developer — one of the big brewery chains was thought to be interested — conjured up the horrifying prospect of fish and chips and bun fairs. The National Trust wanted to buy it for the nation but was refused government funds to help its eleventh hour bid of £1.25m was completely outgunned by the £2.25m paid last week by David Goldstone.

Mr Goldstone is somewhat of a controversial figure in his assessment. "Land's End is a major tourist attraction but at the moment it is not a very attractive attraction. It is easy, however, to see how it could, without any massive redevelopment, offer greatly improved facilities to visitors." Mr Goldstone, the conservationist will be keen to know, is not planning a concrete jungle on our most westerly point. He does, however, think that Land's End is a good financial proposition. He has a sum of money he is prepared to spend — perhaps as much as £3.5m in total over the next few years with the aid of grants — has amazed rivals like the National Trust who would not necessarily seek to justify their bid in commercial terms.

The National Trust, not surprisingly, saw itself as the most appropriate owner of the Land's End Estate. Perhaps there is something vaguely distasteful about a national land mark belonging to one individual, completely unaffiliated or otherwise. Now the less, Land's End needs money spent on it. "I am not making a philanthropic gesture," says Mr Goldstone, who besides his large property interests is chairman of one publicly quoted property company, Regalair. He is also a former chairman of Cardiff City Football Club. "Land's End attracts around a million visitors a year. It is said that we go there twice in a lifetime. Once when we are children and once again with our own children."

I looked at the numbers going there and the existing facilities. It was clear that this presented a real opportunity for improvements and a good investment return. I would like to build a new building there as a tourist centre, get rid of some of the existing kiosks and snack bars and make a more cohesive unit.

The Countryside Commission has said publicly that it will make available to the new owner the grants that were offered to the National Trust. News of the plans to have some down was locally, particularly since the new owner is taking seriously the suggestion that a memorial to the late Lifeboatmen should be incorporated in his plans.

Margaret Drummond

Ronald Butt

Why we live in a rape culture

Because of the increasing number of rape cases, and public anxiety about the way some have been dealt with, the Prime Minister is to discuss the law on rape with Dame Rose Heilbrunn, the High Court judge who chaired an advisory committee on the issue.

Mrs Thatcher does not share the over-intellectualized view that public anxiety has been inflated by the recent concentration of the media on the subject which, as some officials dismissively put it, "sells newspapers".

The Prime Minister recognizes the reality of public anxiety; that ordinary people are worried about the increasing danger. The figures speak for themselves. To give one example, known cases of rape in the Metropolitan Police area alone rose from 107 in 1971 to 266 in 1980. What, then, can be done? It is easier to worry away at the details of legal and police procedure than to tackle the basic question: why is this crime, a kind of psychological murder that can destroy the victim's chances of future happiness, happening increasingly and

how can it be checked? Public comment concentrates on such superficial questions as whether the judge who preferred a fine to a prison sentence in a particular case should be backed, or whether prison sentences should be mandatory.

In part, rape reflects a rising trend of general violence. Yet it has increased more than violence of other kinds, and it is difficult not to conclude that this is because our present culture encourages it.

Since all effective inhibitions were removed on the sale of pornography in 1959, the publication of material intended to be sexually stimulating, and which is associated with violence, has steadily increased — and so have rapes. It flies in the face of commonsense and logical inference to argue, as the Williams Committee on obscenity did, that because the acknowledged increase in

pornography cannot be quantified, no inference can be drawn about its effect in encouraging violent sexual crime.

More deeply still, we live in a culture which is both obsessed by sex but which also regards the sex act as fundamentally trivial. In such an atmosphere, and encouraged by such material, men of violent inclination or without self-control take what they want by force, persuading themselves that as the sex act is widely regarded as so trivial a matter, it really does not do the victim much harm.

Mrs Thatcher must know that the basically elitist argument which places the unlettered freedom to publish pornography above the freedom of women not to be put at risk by such material evokes little support among the mass of the people who elected her.

But the doctrinaire libertarian will never even say whether, if it could be incontrovertibly established that there is a causal link between violent pornography and rape, he would still support the freedom of the pornographer to the safety of the rapist's potential victims. The stock answer is that this is a hypothetical question, that it need not remain so. The argument is normally vitiated by its emphasis purely on abstract statistics, and on establishing a correlation between different kinds of sexual crime over the period in which pornography has been increasingly available and increasingly hard to find. For this kind of statistical debate, nothing is more final than established beyond contradiction.

But there is another possible approach: the systematic and professional investigation in clinical conditions of rape cases and their background to establish what part, if any, had been played by pornography in addition to bringing the criminal to the state of mind in which he committed the crime. I do not suppose that such an inquiry will find much favour in the Home Office, which even resisted the present Act against child pornography. Yet that Act has established the principle that the pornographer's freedom is not unconditional. If by clinical examination a connexion between pornography and violent crime were established, the Government would have no cause to hesitate in legislating against pornography.

Unfortunately, far from contemplating such legislation to prohibit specified categories of pornography (particularly those of a sadomasochistic sort), the Government is actually on the brink of legislating to licence sex shops.

Here, indeed, is a licence to print money. As "Britain's highest paid company chairman", the owner of a sex shop chain told Mr Patrick Symonds, City Editor of the *Daily Mail*, the other day: "Sex will be the growth industry of the eighties, just as betting shops were in the seventies. Councils will be able to licence sex shops this year... I'm sitting on a gold mine." I dare say he is, and Mrs Thatcher has been warned of the likely consequences of the legislation, which reaches its report stage next week.

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the people want, they have a perfect trust-party issue to put to a referendum. But it is hardly necessary. The signs of public opinion already exist to be read, from the protests of ordinary women all over the country against precisely the kind of shops which the Government now proposes to let council licence to the welcome of intellectually tortuous conversion of the women's libbers who have done as much as anyone to promote the kind of society without restraints which has given birth to the rape culture but who now unite against rape.

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Many happy returns — musically

Sir William Walton, the elder statesman of British music, has just completed his first major original work for 10 years in time to mark his eightieth birthday in March — an event which will be celebrated by a series of concerts throughout the world.

The piece, *Prologo e Fantasia*, was commissioned by Mstislav Rostropovich who will conduct its premiere with the National Symphony Orchestra of Washington in London next month.

Sir William has spent 12 painstaking months composing it in the music room of his delightful villa on the Italian island of Ischia where he lives with his Argentinian wife, Susana.

Yesterday Lady Walton told me by telephone: "William has always taken a long time to write music and now a great deal of physical effort is involved. His eyes are not good, though he does not complain about his hearing. William is never terribly pleased with his work because he always wants to do better, like any artist. But I am sure it is good."

The English winter prevents Sir William and Lady Walton from leaving the island, where they have lived for 30 years, to attend the premiere (a recording will be sent to them). But they will travel to England on March 25 in time for his birthday four days later and stay for two weeks at the Savoy Hotel.

Meanwhile the Oldham-born Sir William who spends up to five hours a day in his music room, hopes to devote more time to pottering about his hillside garden, which the couple have populated with exotic plants from corners of the world they visited during more energetic conducting days.

On his birthday the Philharmonia Orchestra will welcome the couple to the Royal Festival Hall for a concert conducted by André Previn, which will be celebrated nationwide. Elsewhere all-Walton birthday concerts will be given by the English Chamber Orchestra, the Bach Choir, the Choir of Westminster Abbey and the Westminster National Orchestra.

Many prominent artists will take part in these and other celebratory concerts, including Sir George Solti, Yehudi Menuhin, Leonard Bernstein and Sir David Willcocks. A substantial number of performances will be given in many other countries, including the United States, where 20 major concerts are scheduled, and there will be large exhibitions at the Royal Festival Hall and the Barbican Arts Centre devoted to his life.

Hi-fi deb

Joanna Percy, 18, emerged as Deb of the Year after an unpleasantly cramped evening on Tuesday at Wedgites, the King's Road nightclub. A product of Cheltenham Ladies' College who is hoping to go up to Oxford, Miss Percy stayed the course better than six other finalists during a gruelling examination which required her to perform court curseys, model dresses

THE TIMES DIARY

The steady anglicization of Jersey, which has taken place since the Second World War, looks set to conquer a final bastion. The authorities have proposed to change the name of the island from Jersey to English instead of French should be used for property conveyancing.

Surprisingly to most visitors, to whom the Channel Islands seem English-speaking as the Isle of Wight, French is still the official language of Jersey, and theoretically, has equal status with English in Guernsey.

In practice French survives even and answer questions such as "who is the head waiter at Annabel's?"

Sacked was the evening, however, with deb's, their delights and assorted revellers at £22 per head, that even the judges, among them Stirling Moss and, appropriately for what has been described as the Upper Class Miss World, Michael Aspel, found it difficult to see or hear the contestants. Indeed Diana Dors found the struggle so unequal she resigned her post halfway through.

It was all a far cry from the deb's mother's day, when large guests would have dropped at the thought of the whole affair being sponsored by a Japanese hi-fi firm. The evening clearly appeared too much for Michael Aspel who was too ill to appear

Have a cuppa

Advertising people and chimpanzees will gather at the Waldorf Hotel today to celebrate the twenty-fifth anniversary of the first PG Tips commercial. Peter Sellers provided the first voice-over for a tea drinking chimp, screened on Christmas Day, 1956. But the story I like is of a later commercial featuring a Clive Jenkins chimp making references to the TUC (Tea, you see). It seems that the Independent Television Companies Association — TV's advertising standards watchdog — stepped in and gave warning that trade unions could not be made to look like "a bunch of monkeys". But Vic

for his morning show on Capital Radio.

Feather, general secretary of the TUC at the time, entirely disagreed with this view when approached, and filming went ahead as planned.

Medical prize

Dr David Morley of the Tropical Child Health Unit, Guilford Street, London, has been awarded the King Faisal International Prize this year for "distinguished work in the field of medicine". The announcement of the award by the prize selection committee in Riyadh cites Dr Morley's research, studies on "the health of infants in tropical regions and developing countries." The prize



Dr David Morley of the Tropical Child Health Unit, Guilford Street, London, has been awarded the King Faisal International Prize this year for "distinguished work in the field of medicine".

Exit right?

Sir Horace Cutler, leader of the Tories on the Greater London Council, is widely believed to be seeking a dignified retreat from the burdens of office after some lacklustre performances against Ken Livingstone and the red menace at County Hall. As one of his colleagues remarked in the subsidized bar near the council chamber the other day, "only Horace could have snatched defeat from the jaws of victory on the London fares issue."

His as yet unannounced departure explains the sudden ambush among Sir Horace's front-bench colleagues and confusion over which star to attach themselves to.

Best performer of the Tory bunch, though unfortunately a shade too liberal, is Alan Green-gross. A Jewish businessman who represents Hammersmith, Green-gross is an old sparring partner of Livingstone from their days together on Camden Council. Money is also being placed on George Trevellick, the failed Tory candidate for the Richmond (Twickenham) parliamentary nomination and ex-pop star biographer (who is believed to be Livingstone's own favourite), and the Florida Tory deputy leader, Richard Brew.

Rate revaluation

The Secretary of the Greater London Council is widely believed to be seeking a dignified retreat from the burdens of office after some lacklustre performances against Ken Livingstone and the red menace at County Hall. As one of his colleagues remarked in the subsidized bar near the council chamber the other day, "only Horace could have snatched defeat from the jaws of victory on the London fares issue."



Sir Horace Cutler

Who is most likely to succeed Sir Horace, who has recovered his flamboyance since the previous socialist took away his official limousine?

Michael Horsnell



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ, Telephone: 01-637 1234

KILLING THE RAILWAY

Labour's National Executive and the TUC General Council yesterday declared themselves in favour of running down the railways. To put it like that risks being tied to the track by Mr Benn as an enemy of the people, but it is the logic of the advice to British Rail to pay the striking Aslef men, without securing the productivity that is at the heart of the dispute. We must give Labour and TUC the credit for being able to see beyond their noses; they must know that if British Rail simply pays up it will jeopardize the prospect of substantial investment in electrification from this Government. Mr Sidney Weighall the general secretary of the NUR, which has agreed the productivity, sees this very clearly, but he knows and cares more about railways than his TUC colleagues whose Labour's reflex politicians have long ago given up pretending to take a national view.

The damage being done is considerable. The railways are carrying only about half their normal load of coal and iron. Freightliner business, which is quickly vulnerable to road competition, is down by 80 per cent. Parcels, which were coming into surplus this year for the first time since the 1960s have been smashed back into loss. The financial costs of the strike are estimated at £45 million up to today, with an extra £14 million a week henceforward.

Less quantifiable but equally worrying are the customers who insist on a reliable service and may now be lost forever.

Given the precariousness of British Rail's basic finances, losses of that order cannot easily be sustained for long. Yet the issues of productivity and efficient use of manpower which are at stake here are fundamental. They involve the future viability of the railways and the British Railways Board is correct to insist on a solution. After decades of slack management the Board has recently grasped the productivity nettle. Last year 8,000 staff, including 1,200 drivers, were shed, all voluntary or by natural wastage. So British Rail was comfortably on course towards the reduction of 38,000 over five years which is part of the deal with Government in return for investment funds for electrification.

Flexible rostering, which is common practice in most

European countries, is the most important of the next steps necessary to sustain the productivity drive. It would increase by 10 per cent the number of productive hours worked. It was the prerequisite for reducing the railwaymen's weekly working hours this year from 40 to 39. It will be of benefit to everyone who works on or uses the railways because it will make the railways more efficient and secure. It does, however, involve Aslef members working harder, and eventually some 4,000 of them losing their jobs. These latter redundancies might be negotiable in another situation — over half the Aslef drivers are over 50 and the scope for generous early retirement is considerable. But Aslef is a tiny union with barely 20,000 members. It is a threatened species; its absolute numbers have declined with the industry and its craft differentials have been eroded by technological change.

In fact there is no justification for Aslef's continuance; it has a colourful and proud history but in a rational world, or any other advanced industrial country, it would have merged with the NUR and the union would have worked with management to create an efficient future for their industry. Instead Aslef remains an uncomfortable legacy, its executive strongly influenced by Communists, insisting that British Rail share its own mislaid attitude to industrial progress. Whatever the arguments about every final detail of last year's agreement on rostering, there is little doubt that Aslef has broken the spirit and understanding on which it was made. As Mr Sidney Weighall the courageous General Secretary of the National Union of Railwaymen wrote recently in the NUR News: "I must make it clear that the serious situation which has now been reached whereby the Board have decided not to implement the 39 hour week and not to pay the 3 per cent increase for locomotive staff, has been brought about entirely by the stance adopted by Aslef."

The British Rail Board has so far played the dispute long. This is irritating to travellers who see no end to their weekly discomfort, but is understandable. At the beginning it was essential not to precipitate a total shutdown at a time when a coal strike remained a distinct possibility.

It was also essential to ensure that the NUR would approve the British Rail stand, as it did last week's suspension of Sunday payments. Even now, a month into the dispute, the Aslef drivers are only just beginning to feel the impact on their pay packets of losing on average around £35 a week. It might be wise to let this measured approach run a little longer while still pressing the issue to binding arbitration. Aslef's cynical insistence that it would go to arbitration only if it reserved the right to refuse an unfavourable judgment will have educated the public, if they need further education, on the nature of the animal involved here.

Looking ahead, the Arbitration and Conciliation Advisory Service will remain actively involved and may once again discover a magic formula to end the dispute. But if that were to involve a well-meaning fudging of the basic productivity issue it would not be in the long term interest of the railways or the public.

The point will come, and it cannot be long ahead, when British Rail will have to decide whether to raise the stakes. In practical terms that would mean suspending the 1919 agreement for a guaranteed working week for footplate staff. However, political prudence suggests that the NUR should not be driven into common cause with Aslef and so Mr Weighall's men should be offered payment providing they turn up to work. Either way Aslef would certainly declare a total strike and the railways would close. That would push the railways even further into debt. The Government, which has so far stood well off this dispute, would then need to indicate full support for the board; after all this is a battle about efficiency in a public industry, an issue which is close to Mrs Thatcher's heart and deserves her commitment.

A rail shutdown would hurt customers, both the long-suffering commuter and such industries as electricity generation, where stocks will quickly run down — though for some it may be easier to adjust to no service than to an erratic one. These, too, will have to show patience and support. A more efficient railway system is in the long term interest of everybody: Government, public, and above all the railwaymen themselves.

MR REAGAN DISTRIBUTES WELFARE

In his first State of the Union address to Congress President Reagan concentrated mostly on domestic issues. These are the questions which will determine the success of his administration. Unless the economy can be brought out of recession the Republicans will fare badly in the mid-term elections in November, neither Mr Reagan nor any other Republican would stand much chance of keeping the presidency in 1984, and the administration's authority in international affairs would be weakened by constant criticism of its economic failures from at home and abroad.

The principal problem is that so long as the budget deficit remains so large it will be difficult to bring interest rates down and there will be the constant danger that any economic revival would soon be snuffed out. Mr Reagan spoke with confidence of reducing the deficit "steadily, surely and, in time, completely." But he offered little enough evidence as to how he will manage to do this. Above all, he set his face firmly against raising taxes or cutting defence expenditure, at least until a satisfactory arms reduction agreement is negotiated with the Soviet Union.

The most important proposal he made was to transfer responsibility for a range of

programmes from the federal government to state and local administrations. In principle, there is much to be said for such a strategy of delegation. In a country the size of the United States the dangers of excessive centralization are enormous. It is much better that there should be scope for adapting many welfare programmes to local conditions. But one must also consider how this broad principle is likely to be applied in practice. Will it prove to be an indirect method of cutting back on welfare? All welfare cuts would be much better as part of a deliberate strategy that considered what was needed and could be afforded in relation to the nation's resources, rather than as an undeclared side effect of a change in administration.

Will the already considerable disparities in welfare provision be extended to the point where they become indefensible? And will the financial arrangements be satisfactory? Mr Reagan is proposing that the Federal Government should assume full responsibility for funding the Medicaid programme of health insurance and that the full proceeds from certain excise taxes should be paid into a "grassroots trust fund" which would be divided among the states. This arrangement would last until 1988 when the trust fund would begin to be

phased out and the excise taxes would be turned over to the states.

It is not clear, though, that these methods would be a satisfactory means of relating resources to need. This is always the critical problem for a strategy of decentralization. It is particularly acute in the United States where there are such wide geographical differences in wealth and income, and where the incidence of poverty is extremely uneven. Mr Reagan may perhaps have been too much influenced by his experience as Governor of California, a rich state that is well equipped to exercise its delegated responsibility that is offered to it.

Experience up to now with revenue sharing schemes between the federal government, the states and local authorities in the United States has been far from encouraging. The arrangements have become immensely complex and they have not been a satisfactory means of channelling money where it is most needed. Mr Reagan will find that he can apply the sound principle of decentralization in acceptable fashion only if he can solve this problem. In any case, a scheme of this magnitude cannot be brought into operation soon enough to help Mr Reagan in the immediate necessity to cut the budget deficit.

Rate revaluation

From Mr Brian L. Hill

Sir, The Secretary of State for Scotland has recently announced that a rating revaluation of non-domestic property will take place in 1983 north of the border. This statement is warmly welcomed. The assessments under any form of taxation become increasingly unfair and arbitrary if they are not regularly and frequently updated. Without such a reassessment some commercial and industrial ratepayers, particularly those operating small businesses, will be paying more rates than they should.

The recent Green Paper on Alternatives to Domestic Rates identified that a non-domestic revaluation would result in sub-

stantially reduced rate charges for larger, older and labour-intensive factories and for older steelworks, and slightly reduced charges for newer steelworks, local shops and older offices in some cities.

While it would have been preferable to include dwellings in the 1983 revaluation, there is a greater urgency to deal with commercial and industrial property since movements in values have been more pronounced in this sector. In any event, current law provides for an adjustment to the valuations on residences broadly in line with the increases revealed in the non-domestic sector.

Scottish business occupiers will, however, be put in a more fortunate position than their counterparts in England and

Wales. Equity demands that the Secretaries of State for the Environment and for Wales should urgently make an announcement that a revaluation of non-domestic property south of the border should be carried out at an early date, especially since the last exercise was carried out in 1973 compared with 1978 in Scotland. Such a statement will very materially assist many commercial and industrial ratepayers, particularly in the present climate of economic recession.

Yours faithfully,
BRIAN L. HILL,
Secretary,
The Rating and Valuation Association,
115 Ebury Street,
Belgrave, SW1,
January 21.

Home buying finance

From Mr M. R. Weale

Sir, While agreeing with Chris Pond (January 23) that action is needed on housing one must question some of the solutions he is recommending. To tax people on the monetary capital gains on their home, which could only be done when they moved, would have the effect mainly of stopping them moving. People with expanding families would be unable to trade up and elderly and retired people could not afford to trade down.

Non-renewable mortgage interest relief would equally stop moving. Perhaps it would be more sensible to restrict tax relief, the benefit of which increases with higher rates of inflation and associated higher interest rates to the standard rate, but to remove the £25,000 upper limit. To remove relief entirely would put a large burden on those who can at least afford to pay the first time buyers who, although they tend to buy the cheaper houses, tend to have the larger mortgages.

But it is on the question of council housing that a radical new approach is needed. Subsidies to council housing have risen from £251m in 1970 to £2,115m in 1979 and supervision/maintenance alone cost almost as much as the rent received. Council housing is expensive and divides the nation into those who have a stake in the future and those who do not.

While we must recognise that there will always be a need for some municipally-owned housing and that the obligation on councils to house the genuinely homeless must remain this need can hardly extend to most of the 30 per cent of the population living in council houses. Giving the houses away would have only cost £268m in 1980: to convert most tenancy agreements into mortgages at a higher weekly payment would reduce this.

Of course some people would do so voluntarily or more than 35 years and will continue to do so until everyone realizes that life is nasty, brutish and short, that it does not provide anything for nothing, and that duties are more important than rights. I have yet to read of an Alliance politician speaking in this vein.

Mr Thatcher in my humble opinion the first prime minister since Churchill with the political courage necessary to proclaim these simple truths and to use them in tackling our problems. One has only to read the letter from the Liberal, Mr Pick, in your same issue to realise that the so-called Alliance has little chance of providing the unity and the will necessary for the kind of leadership which our situation demands. Your leading article on the same page, where you criticise Mr Reagan and other

Party strategy in an economic crisis

From Mr Jim Lester, MP for Beeston (Conservative)

Sir, What a pity Mr Hamilton's open letter (January 26) should be so unnecessarily divisive. If the economic upturn is as rosy as he maintains, there would seem to be little risk in the Government declaring an interim dividend. The Treasury's own estimate of growth is only 1 per cent next year. If, on the other hand, it is not so rosy, the case for a mildly expansionist Budget is reinforced.

There are as many budget plans as there are MPs but, apart from the two entrenched extremes, the great majority of Tories are looking for a moderate expansion. A figure of £3bn is canvassed, with concessions cancelled and industrial costs and expenditure on the infrastructure. Nobody is so naive as to suppose that this will solve the unemployment problem. Hardly anyone believes it will produce Mr Hamilton's "inevitable surge of inflation".

The country has earned this relaxation and we have reached the stage when we can and should undertake it. The coming Budget provides the opportunity both to inject the degree of encouragement industry needs and can absorb without strain, and also to have a beneficial effect on the unity of the party.

Yours faithfully,
JIM LESTER,
House of Commons,
January 27.

From Mr C. H. F. Blake

Sir, May a loyal Tory of even less importance than the disloyal Mr Grigg carve some space to say how profoundly mistaken I believe him to be in saying (feature, January 21) that the SDP-Liberal Alliance offers at least "the possibility of tackling the country's endemic problems"? This country has indeed been declining economically, socially and morally for more than 35 years and will continue to do so until everyone realizes that life is nasty, brutish and short, that it does not provide anything for nothing, and that duties are more important than rights. I have yet to read of an Alliance politician speaking in this vein.

Mr Thatcher in my humble opinion the first prime minister since Churchill with the political courage necessary to proclaim these simple truths and to use them in tackling our problems. One has only to read the letter from the Liberal, Mr Pick, in your same issue to realise that the so-called Alliance has little chance of providing the unity and the will necessary for the kind of leadership which our situation demands. Your leading article on the same page, where you criticise Mr Reagan and other

heads of government for wanting the best of all worlds, should also serve to warn us against the facile panaceas with which we are continually regaled by politicians of all parties.

Mrs Thatcher and her immediate colleagues have no panaceas to offer except hard work, enterprise and the 1982 equivalent of blood, toil, tears and sweat. They know that the "best of all worlds" is an illusion. I believe the country as a whole will also come to realise this in time for the next election and I suspect that a number of people, including the miners, realise it already.

Yours faithfully,
C. H. F. BLAKE,
23 Downleaze,
Bristol,
January 22.

From Mr Henry Bellingham

Sir, In his recent article in *The Times* (January 21) Mr John Grigg explains why he quit the Tories for the SDP. He regrets that, hardly any dissatisfied Tories have defected to the SDP and urges them to follow his example. He explains that the SDP's failure to attract such people lies largely in the basic loyalty of most Tory activists. This may well be a partial explanation, but the main reason is the SDP's abject failure to emerge as a broadly-based centre party capable of preying on the camps of both the two main parties.

North-West Norfolk is the only Tory Parliamentary seat to have gone over to the SDP and a number of observers expected it to be in the vanguard of a mass exodus of party workers to the SDP. However, out of a total of more than 1,000 voluntary workers in the constituency we have lost scarcely any to the SDP. One does not have to look too far to find an explanation for this state of affairs.

Lord Whaddell, who was Labour MP for King's Lynn in the 1960s, recently defected to the SDP; he felt he could join it because it was a "revamped mark II Labour Party". The agent for the Liberal/SDP candidate in forthcoming local government by-election in King's Lynn is urging people to support the "renewed socialist party".

Finally, few Tories in this part of the world will quickly forget the remarks of Bill Rodgers at the SDP launch: "We are not a centre party, but are left of centre".

Yours sincerely,
HENRY BELLINGHAM,
North West Norfolk
Conservative Association,
Greenland Fishery,
Bridge Street,
King's Lynn,
January 22.

Radioactive waste disposal

From Dr A. E. Hughes and others

Sir, Your Science Editor ("Nuclear waste conflict", January 25) states that uncertainty about the stability of glass (to be used in the disposal of radioactive waste) has been recently voiced in *Nature* by a team from Harwell and implies that this has caused the Government to postpone any scheme for disposing of waste underground.

This is not true. The purpose of our paper in *Nature* was to discuss radiation effects and their influence on the leach rate of vitrified highly radioactive waste. We conclude that radiation effects will not cause a significant increase in leach rate over that of unirradiated glass in practical repository situations.

The leach rate of the glass is only one of the factors which control the release of radioactivity to the environment. The flow rate of water through any repository, the solubility of chemicals in the water, and the properties of the surrounding rocks would be just as important; this is confirmed in studies by the Institute of Geological Sciences and the National Radiological Protection Board. Our paper points out that under the conditions to be expected in an actual repository the release of elements from the glass by dissolution is sufficiently low that confidence in the suitability of glasses is reinforced.

The last paragraph expressed in the last paragraph of our paper refers not to doubts about the acceptability of glass as a waste medium, but to the precise values of the parameters to use in quantitative calculations of release rate.

Your Science Editor also raises the question of glass developing cracks at high temperatures underground. It is proposed to store vitrified waste for a period in a monitored environment which permits the heat emission associated with radioactive decay to decrease to low levels. This avoids the possibility of generating high temperatures in repository.

Yours faithfully,
A. E. HUGHES,
W. G. BURNS,
J. A. C. MARPLES,
R. S. NELSON,
A. M. STONEHAM,
United Kingdom Atomic Energy Authority Laboratory,
Harwell,
January 26.

Cold reception

From Miss Irene Puffe

Sir, Mary Hannah (letter, January 21) should ask each child, at the beginning of the autumn term, to bring to school one clothes peg, clearly marked with the name of the child. These pegs should be kept in a box in an easily accessible place until the start of the "wellies" season. When required, the child finds its own peg and clips wellies together as soon as the boots are taken off.

As an infants' teacher this tip has saved much patience fraying and infant panic, and really does stop wellies walking. Incidentally, it also provides a little extra lesson in name recognition.

Yours faithfully,
IRENE PUFFE,
Keep Cottage,
St Leonard's Street,
West Malling,
Kent,
January 25.

In office

From Mr Gordon Bowker

Sir, It seems wholly in character for Stanley Baldwin to have called power "office" (letter, January 23).

Yours faithfully,
GORDON BOWKER,
4, Hillgate Place,
Kensington, W8,
January 23.

British Telecom

From Mr Alan M. Pardoe

Sir, Mr Findlay (January 21) is indeed fortunate in being able to "talk to anyone in the world" by a "clear and simple method" of telephoning. In these villages we have the greatest difficulty in just getting a dialling tone.

The chairman of British Telecom (January 19) says that "over the last 12 months, in particular, service has greatly improved"; not here it hasn't! The last year has been the worst we've had. But perhaps he was thinking of the amount of switching the engineers have to do: our local exchange is in a field and a local concrete drive has been laid, presumably because the frequent visits by the engineers were wearing the old one out.

Even the operators (when I can speak to one) despair when I report that Ridgeway Cross is faulty again.

Yours faithfully,
ALAN M. PARDOE,
Half Acre,
Matheron,
Malvern,
Worcestershire,
January 21.

Poste restante?

From Mr J. F. Morris

Sir, I note with interest that on February 10 the Post Office will issue a new set of stamps commemorating Charles Darwin. Is it of significance that the new 15p stamp for first class postage depicts two tortoises?

I am, Sir, your obedient servant,
JAMES F. MORRIS,
16A Wedderburn Road, NW3,
January 19.

Law on mental patients

From the Legal Director of MIND

Sir, Your report (Parliamentary Report, January 26) that Lord Belstead has introduced an amendment to comply with the recent judgment of the European Court of Human Rights. The amendment, paradoxically, removes the existing right of certain patients to apply to a mental health review tribunal within the first six months of their detention. Lord Belstead was reported in Hansard to have said that "the need for this change is entirely bound up with our response to the judgment of the European Court in the case of *X v. The United Kingdom*".

I acted as co-counsel for X before the European Court and was responsible for advising the court in pursuance of article 50 of the convention as to the measures that would have to be taken by the United Kingdom Government to comply with the court's judgment. I am happy to say that the whole package of amendments put before the House of Lords corresponds with the article 50 submission and fully complies with the court's judgment. However, the further illiberal measure to withdraw the right of certain patients to apply to the tribunal during the first six months of their detention was not in the X submission and will almost certainly not be an element of the court's final statement on the matter.

Lord Belstead considers that the European Convention makes a specific requirement that domestic legislation must be entirely consistent in all respects and therefore we must treat all patients exactly alike. I can find no basis for such a conclusion in any of the jurisprudence of the European Court or in the convention; this absolute need for internal legislative consistency certainly was never alluded to in any of the arguments before the court in X's case.

Perhaps more importantly, even if Lord Belstead's amendment was accepted, there would remain an almost identical internal inconsistency in that section 26 patients would still have the right to apply to a tribunal during the first six months of detention.

In the debate Lord Renton argued that "it is against the spirit of the decision of the court to say that merely for the sake of consistency — a strange kind of egalitarianism — in order to give 32 types of patient a new right, we must remove an existing right from another type of patient". Lord Renton's view must be correct and one hopes that the Government will take account of this view at report stage.

Yours sincerely,
L. GOSTIN, Legal Director,
MIND,
22 Harley Street, W1.

Off the roster

From Mr Sasthi Brata

Sir, The uproar over the disclosures by the two trainee drivers seems to me to reflect not so much the intolerance and duplicity of the British Rail workers as the endemic hypocrisy of the society in which he, along with his masters, operates.

For what the two courageous trainees had to say is true of almost every other sphere of British working life. And it is arrogant and dishonest to dismiss it as a "board spokesman" to imply that without "flying squads" to check on every train and every journey it is impossible to endorse the revelations of Messrs Leighton and Wallace.

Let me cite two very different examples from my own experience. In 1976 on my very first day at work as a fully fledged foot-postman, I did my morning "walk" and returned to the sorting office at 8.15 am and signed the register accordingly. Within the hour I was reprimanded severely both by the Union secretary and the supervisor for having put down the correct time instead of 9.30 am as that was how long I should have taken on my "walk".

I was told that the spare hour and a quarter was one of the "hidden perks" that went with the job. I later learnt that evening shifts which ended at 9 pm really finished at 7.15 pm and night duty meant working for about

A beast in view

From Mr A. J. Heward Rees

Sir, The new joint armorial bearings for the Prince and Princess of Wales illustrated in your issue of January 20 do not seem to contain "four Welsh dragons" as Alan Hamilton describes them: not even as supporters.

The tiny interior shield (known as an "inescutcheon of pretence") which is usually found in Prince Charles's arms features four counterchanged leopards — otherwise "lions passant guardant". These were borne by princely members of the Royal House of Gwynedd, including the tragic Llywelyn ap Gruffydd, the seven-hundredth anniversary of whose slaughtering occurs this year. (The intention is to emphasize a somewhat tenuous blood link with the Prince, no doubt.) The badge underneath, consisting of three feathers and motto, is of course of continental origin.

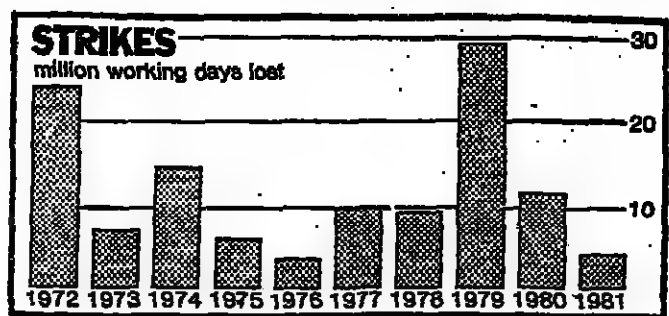
There be no dragons....

I remain, yours faithfully,
A. J. HEWARD REES,
Neuadd Seiriol,
Bangor,
Gwynedd,
January 20.



BUSINESS NEWS

Fewer strikes last year



The number of working days lost through strikes last year was 4.2 million, the Employment Department said yesterday. This is less than a third of the 13 million average over the previous decade and, apart from 1976 when only 3.3 million days were lost, represents the lowest yearly total since 1967. The number of strikes in 1981 is provisionally put at 1,280, down from 1,330 in 1980 and the lowest recorded since 1941. The Civil Service dispute alone accounted for a quarter of the days lost. A miners' strike and four stoppages in the car industry accounted for a further 15 per cent.

Romania to seek aid

Romania is expected shortly to seek the aid of its western bankers in restructuring its debt. Bankers in West Germany believe that the authorities in Bucharest are at present working with representatives of the International Monetary Fund on a declaration of intentions that could be published either this week or next. The bankers stress that Romania is unlikely to follow Poland's example and seek a thorough-going rescheduling of its debts. But it is thought to want a partial restructuring to eliminate a bulge in repayments due over the next few months.

Greek oil takeover

Greece's Socialist Government has announced its decision to begin talks with Exxon Corporation for the transfer of its Salonika oil refinery and related petrochemical industries which are to be placed under the control of the Greek state. Mr Sakis Peponis, the Minister of Industry, who claimed that the American owners had "responded willingly" to the Government's request said this takeover would not set a precedent for government policy towards other oil refineries.

Tobacco price rise

Gallagher, Britain's second largest tobacco manufacturer whose leading brands are Benson and Hedges and Silk Cut, is raising all its prices on February 8 with cigarettes increasing by 2p for a packet of 20. This is in line with increases already announced — also applying from February 8 — Imperial Tobacco, which is the largest manufacturer. Other manufacturers are expected to come into line before the Budget.

W German surplus

West Germany turned in a record surplus of DM4,900m on its current account balance of payments last month, according to provisional figures released by the Federal Statistics Office. The countries' visible trade balance was also in surplus to the tune of DM5,100m after DM3,900m in November and October's DM5,900m surplus.

Japan's current account surplus in the fiscal year 1982, from April, will probably be \$3,500m.

MARKET SUMMARY

Reflections on the Union

LONDON EXCHANGE

FT index 588.9 unchanged
FT 100 64.26 up 0.45
FT all-share 326.42 up 0.89
Sargeants 11.71

In an easier market after the previous day's rally a bearish view on interest rates from the senior managing director of Union Discount held equities back leaving the market which closed with the FT index unchanged at 588.9 after being up 3.8 at 1pm.

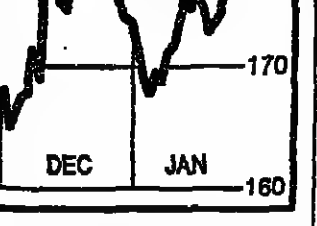
The gilt market reflected President Reagan's State of the Union address with long 8 1/2 down at the close and short dates closing unchanged.

Glaxo fell more sharply than other leading stocks, dropping 10p to 470p after adverse press comment. Elsewhere, leading industrials ended mixed, with BAT down 2p to 383p, GUS up 2p to 505p and Lucas 1p to 223p.

Buildings were in demand, and there were a number of notable gains. BPI Industries improved 18p to 364p, Rugby was up 2p to 90p, and Redland was up 8p to 187p.

COMMODITIES

● Buoyed by reports of a poor Soviet beet crop and by agreement between the International Sugar Agreement and the European Community on cane prices, sugar held its recent gains. March contract rose by almost 22 to 2180.325 a tonne.



MONEY MARKETS

● Period rates eased slightly in response to lower dollar rates. The Bank again bought bills at 13 1/2 per cent.

LONDON CLOSE

STERLING \$1.8875 down 30 points
Index 91.3 up 0.4
DM 4.3375
Fr 11.0425
Yen 428.50
DOLLAR Index 109.8 down 0.3
DM 2.3192 up 55 points
GOLD \$381.50 up \$3.75

TODAY

Energy trends
Salesman of the year
presentation, London.

Edwardes sees BL on road to recovery

By Edward Townsend, Industrial Correspondent

Loss-making British Leyland is firmly set on the road to recovery, will make a trading profit in 1983 and from then onwards will need no further injections of taxpayers' money, Sir Michael Edwardes, chairman, told MPs yesterday.

Delivering the most optimistic set of forecasts since taking over at the ailing motor group, Sir Michael disclosed to the Commons Select Committee on Industry and Trade that the company had completed negotiations this week for a series of private sector bank loans totalling £277m.

The money, which will supplement the £900m of state funds pumped in by the Government for 1981 and 1982 and will help to pay for BL's re-equipping and new model programme over the next two years, reflected the growing confidence of the banks for the company's recovery strategy, Sir Michael said.

The latest loans, — among the largest to be negotiated by BL — are with a group of six United Kingdom and four North American banks. They are for repayment over the next 8 to 10 years and the banks have not insisted on United Kingdom Government guarantees, Sir Michael said. The deal had been struck at "very competitive" interest rates.

He added that redundancies already announced affecting 5,000 cars group workers and 4,100 in the truck division which are to be implemented this year would reduce the United Kingdom workforce to about 87,000 and bring to an end the heavy erosion of the company.

Recruitment of new workers could begin as new models were produced, particularly the LM10 saloon in 1983. This year, a total of 10 new cars and Land Rover models would be introduced.

Sir Michael, making his last appearance at the select committee before his contract with BL expires at the end of the year, said the company would need all the £290m and a further £150m of state cash for 1983-85 which had yet to be approved. But if they were successful in breaking even, the cash



Sir Michael: optimistic mood

needs from Government showed "a heavily diminishing burden on the taxpayer." He added: "In 1983 we will be free-standing."

The one big concern in the company is the continuing loss being made by the troubled truck division. Sir Michael said the significant increase in performance and productivity in the cars group had reduced the losses of BL Cars in 1981 by £100m but this had been offset by the deficit in commercial vehicles.

BL is sticking to its 1983 break-even forecast although in the 1982 corporate plan, the directors lowered their profit expectations for the 1982-85 period by £300m.

Sir Michael said balancing the books in 1983 would depend on there being no big exchange rate fluctuations and no serious labour disruptions. Capital spending for 1982-86 is forecast to be £1,439 with "unprecedented" levels

of investment reached this year. This is to be financed by internally generated funds and the bank loans as well as state aid. The company also hopes to raise £15-£20m in the next two years from the sale of fringe activities following the £75m it has realised from disposals in 1980 and 1981.

Sir Michael also praised workers in the cars group for last year's biggest increase in productivity in BL's history. The performance at Longbridge had improved by more than 100 per cent.

Meanwhile, Japan's Suzuki motor company said in Tokyo yesterday it had reached basic agreement with La Rover Santana of Spain to make and sell Suzuki's Jimny, a mini four-wheel drive vehicle. Industry sources said Suzuki would use the Spanish facility, partly owned by BL, as a springboard into Europe. The Jimny is the best seller of its type in Japan.

Co-op bank springs £18 surprise charge

By Lorna Bourke

To obtain free banking, holders of the Co-operative Bank's new interest-bearing current accounts will have to maintain an average credit balance of £180 a year to cover the annual £18 service charge of £18. This is at the current interest of 10 per cent.

Customers of Barclays and National Westminster have to maintain a minimum credit balance of £50 to qualify for free banking whilst Lloyds and Midland require a minimum balance of £100. Such current accounts do not, at present, pay interest.

Terms of the new Cheque and Save scheme from First Co-operative, the finance house subsidiary of the Co-op Bank, were announced yesterday.

Interest will be payable on the account, calculated on a daily basis from the published national interest rate. There will be a deduction from this interest of £1.50 a month or £4.50 a quarter as a service charge to cover the cost of processing the cheques. The current national interest rate is 10 per cent.

The £1.50 a month service charge is a flat rate and remains the same irrespective of the number of cheques written.

When Co-op announced the new interest-bearing account before Christmas, it was talking in terms of charging 18 to 20p for each cheque, and the flat charge comes as a surprise. The other High Street banks charge between 15 and 20p for debit entries but maintain that the true cost of processing a cheque is around 50p, the fee Barclays introduced last September for cashing the cheques of its competitors.

First Co-operative has requested several thousand inquiries about its new account, which will be available from Monday, February 1. "We expect other financial institutions to follow our innovation by introducing similar services," said Mr Terry Thomas, Co-op Bank's joint general manager.

Customers will have a normal cheque book and cheque guarantee card and will be eligible for personal loans, budget accounts and deposit services in the usual way. "We want to encourage people who want to transfer all their business from another bank or building society to First Co-operative," Mr Thomas added.

Grand Met sells £30m hotel chain

By Derek Harris, Commercial Editor

Sir Maxwell Joseph's Grand Metropolitan group is selling virtually all its regional hotels — among them the Elizabethan Falcon at Stratford-upon-Avon to the Queens Moat Houses chain for £30m.

The deal, subject to contract, is expected to be substantially in cash, with Grand Metropolitan getting a Queens Moat stake of around 7 per cent which it expects to hold as a growth stock.

The 26 provincial hotels in Grand Metropolitan's County Hotels division will more than double the size of Queens Moat, an expanding chain based at Romford, Essex whose chairman and joint managing director is Mr John Bairstow.

The sale makes no change to Grand Metropolitan's already announced plan to sell up to ten of its 19 London hotels. That decision followed the buying from Pan Am of the Intercontinental chain, Grand Metropolitan is already negotiating with a number of potential buyers for some of its London properties.

Grand Metropolitan originally contemplated expansion of its provincial chain, already owned by Grand Metropolitan's brewing arm upon Tynes, and the Berni Inns were not involved and are not included in the sale.

But expansion of the county hotels chain, which includes three four-star hotels and 16 three-star properties, would have cost some £30m over three to four years, Mr John Travers Clarke, chief executive of the hotels division, said. "Queens Moat and County together make a more sensible unit than either separately," he added, pointing out that Queens Moat would not need to spend that amount of money because its existing chain gave the right degree of expansion.

Queens Moat has been buying new properties over the last few years and putting them under the Moat House banner. It currently has 24 hotels with a total of more than 1,500 bedrooms. It also has five restaurants and public houses.

The County Hotels chain amounts to 1,874 bedrooms, of which 1,702 have private baths. The geographical coverage ranges from Edinburgh to Southampton, with hotels in key provincial areas. The properties include the Viking, at York, Europa Lodges at Oxford, West Lodge at Newcastle and Newcastle Metropolitan's brewing arm upon Tynes.

One of Massey-Ferguson's new range of tractors, the MF 250

By Bill Johnstone

Massey-Ferguson has launched a new range of tractors which is expected to increase the company's share of the world market from its present 16 per cent and maintain the group's Coventry plant as the biggest tractor manufacturing unit in the western world.

The anticipated success of the new range is, however, not expected to offset the redundancies the group may seek this year. Already the workforce at Coventry has been reduced over the last two years by 1,000 to 5,000.

Massey-Ferguson, like the other principal manufacturers of tractors in the world (Ford, John Deere, International Harvester, Fiat and David Brown), has been fighting to maintain a share in a contracting market.

The market in the United Kingdom in 1981 was about 50 per cent in comparison to the mid-1970s, from about 40,000 units to 20,000. In North America the annual rate of retail sales in the industry dropped by 40 per cent in 1980 compared to that of 1979. In Europe the market dropped by over 30 per cent compared to what it had been in the mid-1970s.

The contraction in the market has been due to general recession, high interest rates and a trend in the western world for farmers to purchase fewer tractors but with greater horse power. The average tractor now sold in the United Kingdom is about 80 hp in comparison to 50 hp in the 1960s.

Raeburn Investment Trust plc

Year ended 30th November 1981 1980

Value of net assets £60,027,953 £57,375,022

Gross revenue £3,492,340 £3,323,450

Per 25p Stock unit:—

Net asset value 224.6p 215.1p

Earnings 6.90p 6.94p

Dividend 6.90p 6.35p

The Chairman, Mr S.G. Brookbank, comments:

Franked income rose slightly, in spite of dividend cuts by several companies in the portfolio, while unfranked income rose from £737,000 to £963,000. Deposit interest received and interest paid combined to offset the improvement in investment income. The net result was that earnings per share declined from 6.94p to 6.90p. This also partly reflected a change of emphasis giving higher priority to capital growth. In these circumstances a full distribution of earnings is recommended.

The company's net asset value per share rose by 4.42% which compares with a rise in the All-Share Index of 2.66%. Results achieved in the USA and Japan were well above the local indices even before adjusting for currency movements. Raeburn is retaining a reasonable margin of liquidity and this together with its undrawn loan facilities, provides considerable flexibility to take advantage of any favourable opportunities. Raeburn's policy is to achieve above-average capital appreciation and satisfactory dividend growth.

Copies of the Report and Accounts are available from the Secretaries, Lezard Brothers & Co. Limited, 21 Moorfields, London EC2P 2HT.

£10m credit rescue line for ACC

By Philip Robinson and Paul Meadmont

Fears that some financial support for Associated Communications Corporation could be withdrawn this week has led Mr Robert Holmes & Court's Bell Group to give Lord Grade's former empire £10m worth of standby credit.

Bankers have already refused to continue £3m worth of loans. The credit line is part of Mr Holmes & Court's rescue package for the entertainment empire for which he is bidding £36m. His offer is being challenged by Mr Gerald Ronson's Heron Corporation which is offering £46m. ACC told shareholders last night to do nothing on the Heron bid.

Heron is trying to stop Mr Holmes & Court pulling off a quick victory by means of a High Court injunction blocking the transfer of ACC directors' voting shares to the Bell Group.

Judgment on this "unusually difficult case" will be given at 2 pm today.

Lawson attacks reflation lobby

By Melvyn Westlake

Mr Nigel Lawson, the Energy Secretary and one of the most uncompromising hawks in the Cabinet, fought yesterday to rally resistance to the mounting pressure for a reflationary Budget in March. Less than 24 hours before the Cabinet was due to discuss Budget strategy, Mr Lawson poured scorn on the siren voices urging the Government to throw away all the hard-won gains by indulging in a big programme of reflation.

Although Mr Lawson did not refer specifically to his own Cabinet colleagues, there are several who are known to be increasingly anxious about the level of unemployment and keen to see Sir Geoffrey Howe, the Chancellor, give some boost to the economy. The rise in the jobless total to over three million has given a new force to their arguments.

Mr Lawson was, however, undaunted by the lengthening queue of demands. The Government was fighting a war against inflation, he said, and added: "In war, casualties are inevitable, they are neither intended nor are they unexpected. They are a



Mr Nigel Lawson: rallying resistance to reflation.

sign neither of wickedness nor incompetence. The object is quite simply to win the war while minimising the casualties incurred."

The Energy Secretary made it clear that the Government would not be deterred by the mounting jobless toll. There should be no doubt, he said, that the Government intended to stick to its course. He was addressing the Association of Economic Representatives of London.

The content of the speech, which Mr Lawson wrote himself, appeared to be aimed at a wider audience. The Chancellor may have scope to give modest tax cuts, amounting to about £1,000m, in the Budget without pushing government borrowing above target. But this is less than many Tory "wets", including a handful in the Cabinet, would like.

In a stout defence of Government policy during the last three years, Mr Lawson blamed much of today's economic troubles on the Keynesian policies of earlier governments, and fiercely attacked the Government's Keynesian critics. He said they had predicted that the recession would intensify as a result of the £4,000m of tax increases the Chancellor had imposed in the last Budget, at its depth.

Mr Lawson said he claimed at the time that the Budget was not contractionary and that some recovery would follow and events had vindicated his view.

If the Government's critics had been right, the modest recovery now taking place could never have occurred, he asserted.

Kitchen furniture maker's dramatic decline in trading 640 jobs axed as Hygena shuts down

By Margaret Pagan

Hygena, the kitchen furniture maker which, in its 1960s heyday, claimed a 30 per cent share of the market, has stopped trading. It has been steadily losing money over the last five years.

The parent group, Norcross, says it can no longer afford to prop up the division, which last year lost over £1m, because of fierce competition and the squeeze on consumer spending.

Mr Alan Webb, the finance director, said trading has dropped off so dramatically over the last three months that Norcross no longer believes Hygena can return to profits. Only last June the group forecast improvements this year, but estimates now are for a larger deficit.

Redundancy notices were yesterday served on the 640 employees at Kirkby, Merseyside, one of the country's highest areas of unemployment. Mr Webb said there were no plans to sell the business but they were not abandoning the Hygena trade mark.



The Hygena image: dream kitchens hit hard times

mounting losses the workforce has been cut back over recent years. Last year another 300 jobs were axed and production concentrated on the one site at Kirkby.

Mr Webb explained that Hygena's order book had tumbled off to only a few days' work. "We have made every effort to make Hygena profitable but projections are that losses would continue to increase this year. This does

not justify the level of ongoing investment required to continue operations."

The group will not disclose the extent of losses over the last five years but they are substantial and Hygena is believed to have lost made money in 1973. At its peak the group had sales of £26m and was one of the first market leaders with self-assembly kitchen furniture at

the higher end of the market.

With sales of kitchen furniture falling off generally, the group has had to contend with flat-pack kits, now estimated to take 80 per cent of the £500m market. Imports from German and French competitors have also presented problems.

News of the closure, which the City regards as not soon enough, saw Norcross shares gain 3/4p to 105 1/2p. With estimates for Hygena's closure and redundancy costs of some £2.5m for the present year, the group's results have been downgraded to £23.5m.

BELGIUM

The EEC commission imposed a provisional anti-dumping duty of 29.2 per cent on imports of oxalic acid from Czechoslovakia and China. The commission was acting on a complaint from the European Council of Chemical Manufacturers' Federations of dumping by China and three East bloc countries. However, the commission exempted Hungary and East Germany from its investigation.

BUSINESS NEWS/COMPANIES AND MARKET REPORTS

ASSOCIATED DAIRIES GROUP

Asda set to recapture its momentum

Investment income at cash-rich Associated Dairies Group has done most to rescue the Leeds-based company from another pedestrian profits performance (Derek Harris writes). The group's first-half pre-tax profits were up 25 per cent, it was revealed yesterday. But higher than expected trading profits from the superstores chain and the fresh food operation (mainly meat going largely through these stores) have also offset the 80 per cent plunge in profits from the beleaguered furniture and, especially, carpets division.

It could be the first bottom-line sign that the Asda superstores division, pioneer of the edge-of-town stores, is poised to fight the current ascendancy of J. Sainsbury. Asda as well as its stores has been losing out to Sainsbury which has taken over the high-flyer role in grocery retailing which Asda enjoyed during the seventies and Tesco before that.

In the packaged grocery market Sainsbury currently has a share of 14 per cent, about a full percentage point ahead of Tesco with Asda at 8 per cent. Of the total food market — taking in the expanding fresh foods sector — the three probably have 20 per cent between them, with Sainsbury possibly having as much as 8 per cent.

It is axiomatic that a company concentrating on food, such as Sainsbury, is on a better base in recessionary times than multiples that have also gone for the higher-margin non-food items that have been hit by discretionary spending effects. That is part of Tesco's profits performance problem as well as its well-known financing difficulties.

Until last year Asda in particular, looked as if it was suffering from being too fat: its management team was largely unchanged after the period of rapid and successful growth. It needed new blood and ideas and got them last year in a big management shake-up in the natural break offered by the retirement of the highly regarded Mr Peter Firmin-Smith. The appointment of Mr John Fletcher (from the

Oriel group at 38 years old) to succeed as managing director was one of five top management changes.

Mr Fletcher is a marketing man, signalling a new drive by Asda to sharpen up and make its marketing more flexible.

Even Asda's near-sacrosanct policy of a single national pricing policy has been modified, with limited promotional pricing creeping into six of its more than 80 stores. These are at Coventry and Aberdeen. But Mr Noel Stockdale, the Associated Dairies Group chairman, maintains that essentially the national pricing policy stays.

It was this sign of more aggressive pricing which led to speculation that profits performance might suffer. But with volume in the stores and fresh food up possible 12 per cent in the first half the trading profit of £25.18m was up 18 per cent with

sector inflation netting about 8 per cent, indicating real growth. Asda relies by 23 per cent on the non-food sector but according to Mr Stockdale trade here may well have been down only about 2 per cent on last year.

He is sanguine about profit margins in the superstores and sees no change there for the time being. He also has some expectations of a better second half given recovery from sales declines brought by the bad winter and even though lower interest rates may nibble at investment income. Furniture sales are at last improving and Mr Stockdale describes them as surprisingly good in the now fully rationalized Wades operation and the two London U-Kay hypermarkets.

Sales at Allied Carpets await movement in the housing market and the summer is the earliest some real effects may come through, Mr Stockdale says. After spending more than £50m in the last year on capital projects

including extensive store revamps Associated is in a good position to take advantage of an economic upturn. But Mr Stockdale is looking hard at the store investment programme because in the 12 months from next May the incidence of planning permissions could lead to 11 new stores being built, nearly twice Asda's normal annual rate. Only three have been opened in the current 12 months. "We might have to slacken this next year's programme," said Mr Stockdale.

Even so Asda shows real signs of starting to get back again the momentum it had lost. At brokers Scrimgeour, Kemp-Gee analyst Mr John Hewitt is looking for as much as a 10 per cent increase in dividend this year from the group which makes the present profit earning rate of around 15 times earnings look cheap. He expects a definite though not dramatic upward improvement, although by no means approaching that of Sainsbury at around 23 times.



Mr Noel Stockdale, sanguine about profit margins.

UNION DISCOUNT

Leasing move aids profits

Net disclosed profits at Union Discount rose from £3.54m to £4.06m in the year to December 31, thanks largely to the tax benefits obtained from setting up a leasing division.

As one of the City's discount houses, Union is not required to disclose its true profits. But the group said yesterday that pre-tax profits on its traditional money market business were at roughly the same level as the previous year.

This was achieved in a period in which interest rates "did not follow their anticipated course and proved as volatile as ever".

The group admits that it read the market wrong during the spring and got out of short Gilts later than it should but even so, a good deal earlier than some, and certainly before the damage was significant. Profits were picked up elsewhere, probably on the group's investments in Government variable rate stocks, in which Union has always been a keen investor.

The proportion of Union's book held in short-dated Gilts has, in any case, become steadily less over recent years as the market has

become more volatile and less easy to read. Mr Richard Petherbridge, senior managing director, stressed yesterday that the group's main business was very much concentrated now on providing a market in liquid instruments, in other words in short-term instruments discountable at the Bank of England.

The group's resource base has increased to a record level — but market conditions and the size of the Bank of England's operations in the markets meant that the size of the book varied considerably from day to day. Although Mr Petherbridge expected the Bank to produce new prudential rules for the houses shortly, he did not see them as likely to inhibit Union's business.

The final dividend has gone up to 17p a share to give a full year distribution of 26p against 25p. The group says that it has transferred 50 per cent of the tax relief on leasing to inner reserves. A further £1.5m has been transferred to reserves. Shareholders' funds at the year-end stood at £26.7m and current assets at £1,509m.

EUROTHERM INT.

Flying high

The high-flying technology Eurotherm International, which fell from stock market favour when profits dropped a year ago, looks set to return to a plainer rating.

Pre-tax profits for the year to the end of October rose 36 per cent to £3.2m on a turnover up from £24m to £27m, indicating a stronger second half which has continued into the first three months of the current year.

LATEST RESULTS

Company	1981/82	1980/81	% Chg
Associated Dairies (D)	650,598	28,522.7	3,742.31
Asda (D)	43,499	1,151.14	4,614.69
Sainsbury (D)	4,655,060	22,828.1	5,568.59
Brannan (D)	0.020(0.06)	0.020(0.06)	0.020(0.06)
Dunbar (D)	0.850(0.50)	36,231.4	3.7(3.1)
Connaught (D)	27,504.8	15,314.24	80.3(81.1)
R. & J. Pullman (D)	11,310.1	1,031.03	1,031.03
Scott, Asner, Inc. (D)	2,542.34	4,464.13	3.1(3.7)
Blumenthal (D)	4,534.177	1,411.21	3,122.96
Union D. (D)	—	171.4	—
Wintrust (D)	—	0.910(0.78)	1.2(1.07)

Dividends in this table are shown net of tax on prices per share. Elsewhere in Business News, dividends are shown on a gross basis. To establish gross, multiply the net dividend by 1.428. Profits are shown prices and earnings are net. *Net profit, *Adjusted for items like C-F 5p.

M. J. H. Nightingale & Co. Limited

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The Over-the-Counter Market

1981/82	High	Low	Company	Price	Chg	Div	Yield	Actual	Yield
122	100	98	ABN Bank	14%	+1	10.0	8.2	—	—
52	62	60	ABN Bank	14%	+1	10.0	8.2	—	—
53	53	51	ABN Bank	14%	+1	10.0	8.2	—	—
205	187	185	Bancor Hill	205	+2	9.7	4.7	10.0	12.1
182	182	180	Deborah Services	205	+2	6.0	7.3	4.1	7.7
120	97	95	Frank Horsell	130	+1	6.4	4.9	11.7	24.1
78	39	37	Frederick Parker	78	+2	1.7	3.2	33.9	—
78	46	44	George Blair	50	+1	—	—	—	—
102	93	91	IPC	94	+2	7.3	7.8	6.8	10.2
105	100	98	Isis Coav Pref	105	+5	15.7	15.0	—	—
113	95	93	Jackson Group	95	+2	7.0	7.4	3.0	6.7
138	108	106	James Burroughs	113	+1	8.7	7.7	8.2	10.4
324	250	248	Robert Jenkins	254	+4	31.3	3.3	9.0	—
59	51	49	Scruttons "A"	56	+5	5.3	9.5	8.5	8.0
122	167	165	Torday & Carlisle	167	+2	10.7	6.4	5.4	9.9
15	10	9	Twinklco Ord	134	+24	—	—	—	—
60	66	64	Twinklco 15% UL5	75	+9	15.0	20.0	—	—
44	27	25	Unilock Holdings	27	+2	3.0	11.1	4.8	8.2
103	75	73	Walter Alexander	75	+2	6.4	8.5	4.9	8.7
263	212	210	W. S. Yeates	218	+6	13.1	6.0	4.1	8.4

Prices now available on Prestel page 48146



Dr Jack Leonard

Eurotherm has increased the final dividend 16 per cent to a gross 5p 7.142p.

The shares, nervous last week after a cautious half-time statement, rose 51p to 302p and were one of yesterday's most active stocks. The temperature control group, based in Worthing, whose lifeblood is new products, has got borrowings down to £2.9m, giving it a gearing ratio of 31 per cent. This is likely to rise to the low 40s this year as it doubles capital expenditure to £3m, much of this going on a new £2.7m (£1.437m) plant for its Eurotherm Corporation offshoot at Reston, Virginia.

Dr Jack Leonard, in his first year as chairman of the company, says profits for the current year should be significantly better after two years of disappointments.

The group has eliminated losses at its French company and has performed well in the United States and Germany, despite their sluggish economies. With a gain of £300,000 from France, the United States company con-

COMMODITIES

Commodity	Price	Chg
COPPER — Higher grade steady. Afternoon — 27.50; three months 28.50; six months 29.50; nine months 30.50; twelve months 31.50.	27.50	—
LEAD — Higher grade steady. Afternoon — 27.50; three months 28.50; six months 29.50; nine months 30.50; twelve months 31.50.	27.50	—
NICKEL — Higher grade steady. Afternoon — 27.50; three months 28.50; six months 29.50; nine months 30.50; twelve months 31.50.	27.50	—
SILVER — Higher grade steady. Afternoon — 27.50; three months 28.50; six months 29.50; nine months 30.50; twelve months 31.50.	27.50	—

tributed £900,000 this year against £200,000 last year. New products include a device for controlling the burning of fuel in industrial boilers. The group has also started its first distribution company, Hero Electronics, where margins are lower than in its traditional manufacturing businesses, and which is expected to contribute to profits in its third year.

BULLOUGH Profits fall

Bullough, the Epsom-based engineering and furniture-manufacturing company has seen a 21 per cent fall in pretax profits and a 12 per cent fall in sales for the year to October.

Profits fell from £4.18m to £3.44m and turnover dipped to £43m from £49m. Earnings per share dropped from 28.1p to 23.9p, but dividend has been held at 9.35p gross, making a total payout for the year of 15.35p gross. The price of the ordinary shares rose 2p to close the day at 160p, which gives Bullough a market capitalization of around £14m.

The company said its net borrowing position has improved by about £3m, leaving it with net balances in hand of nearly £1m. This leaves the company free to consider further acquisitions, it said.

The level of profit is 36 per cent below the 1979 record level of £5.4m, but management believes the business is surviving the recession comparatively well. Mr Derrick Bartle, managing director, said the outlook was marginally better than six months ago.

Electrical and special pro-

ducts divisions maintained profitability and, through the Project Furniture subsidiary, its direct selling approach lessened the effects of adverse market conditions. Two other subsidiaries, B and B Trainers and Beasdale Shaving, were hit by lower demand and the high level of standing and reported disappointing profits.

FLEMING TRUSTS Plan change

Robert Fleming Investment Management is not for the present pursuing plans announced in outline just before Christmas to reorganise the Fleming trusts.

Instead it will consult key institutional shareholders, which may involve the acting as an adviser if they disagree among themselves about what to do with them.

Three of Fleming's trusts with only a third of their assets in Britain were to have been amalgamated into Fleming Sterling, with the aim of investing its funds wholly in Britain.

Another trust, United British Securities, was to become Fleming Overseas and have at least 70 per cent of its money abroad. Investment trusts involved in proposed mergers were Guardian Investment Trust, Sterling Trust, London and Provincial Trust, London and Lancashire Investment Trust, London and Holyrood Trust, Capital and National Trust, and United States and General Trust Corporation.

Yesterday, Mr Ian Henderson, a director of London and Manchester Assurance, said: "We originally had 17 per cent of United States and General but the merger plan would have shrunk us to 7 per cent. We also did not want a trust in which we invested for overseas exposure to change into one with a domestic bias."

He added: "We got together with other leading shareholders, including the Prudential, the Post Office Superannuation Fund and Save and Prosper; and found that we were in broad agreement, though with differences of emphasis. Save and Prosper is 50 per cent owned by Fleming, but has regard to the interests of its own unitholders. Together we can back the present Fleming proposals."

WINTRUST

High taxes

Wintrust, whose banking subsidiary Wintrust Securities has just been granted full recognition as a bank by the Bank of England under the 1979 Banking Act, reports half-year profits up from £782,000 to £906,000 in the period to September 30.

The second interim dividend is 1.57p gross, making a total interim of 1.7p, a 13 per cent increase over the previous year. This is despite a drop in post-tax profits from £466,000 to £426,000, reflecting an unusually high tax charge. But Wintrust expects the full-year tax charge to be considerably lower as leasing business is booked and profits for the year are also expected to be at record levels.

DEPARTMENT STORES

Endangered species in the High Street

The recession and the acute squeeze on consumer spending over the last couple of years is forcing the pace of change in Britain's high streets. Most at risk are department stores, a steadily shrinking group whose ostrich-like approach to retailing and failure to adapt to change is threatening to turn them into anachronisms. (Ronald Pullen writes).

The writing has been on the wall for years but the failure rate has been accelerating over the past year. In London, a number of well-known names have disappeared, including Whiteley's of Bayswater, Swan & Edgar has just shut its Piccadilly Circus doors and at this very moment Bournes (the old Bournes & Hollingsworth) is having its closing down sale.

Less well-known names elsewhere in the country have also given up the ghost, particularly in the hard-hit Midlands, while the House of Fraser recently shocked Edinburgh flagships, jenners. The big groups like Debenhams and House of Fraser are presently involved in a frantic race to change their retailing strategy to survive in the 1980s.

The growth of superstores, led by the likes of Asda and Tesco, and the discount chains has taken more and more business away from department stores. The upshot has been a steady erosion in their share of total retail sales from just over 6 per cent in the early 1960s to probably under 5 per cent at the moment.

Department stores are also particularly vulnerable during a recession. Because they concentrate on high-price goods, they are just the sort of consumer spending that falls when the pressure is on disposable incomes. In London their problems have been exacerbated by the sharp decline in the tourist trade which provided such a welcome boost in the late 1970s.

Most of the leading department store groups are concentrated in London, partly for historical reasons and partly because the Midlands and the North saw the development of superstores a decade earlier in the day. Almost a third of the sales of House of Fraser and Sear's (dominated by its Selfridges store) are in London.

Meanwhile in a period of rapid inflation department stores find their costs rising rather faster than the rest of the retailing sector. Wages, rates, lighting and so on all hit department stores below the belt and gross trading margins of typically 6-7 per cent are well below other non-food retailers.

For the pure department store concerns like Debenhams' and House of Fraser, a great deal of effort has been put into trying to change their retailing strategy. Debenhams' profit has been felt to be so long to a bid and over the last two years has gone hell for leather for volume, and developed the idea of stores-within-stores, with some success, judging by its recent performance. The pressure has been on House of Fraser from London and its new management is trying desperately to squeeze a better return out of its assets.

To many outsiders there is little conviction that the quality of management is good enough to see department store groups through. So the main interest in investment terms lies in their asset backing, given the high proportion of freehold property in their portfolios, rather than hopes that they will get their trading formula right.

It is hardly surprising then that Lloyds is trying to get its hands on House of Fraser or that the stockmarket every so often gets excited by rumours about takeovers for Bantails of Kingston or Ely's of Wimbledon. If those assets could be unlocked for development purposes, a predator would be sitting on a gold mine.

BIDS AND DEALS

London and Scottish Marine Oil's U.S. offshore, Bales Oil, has concluded terms for the acquisition of production assets in Kansas, Louisiana and Texas for £15.8m, and for the participation in a new exploration venture in Texas, Louisiana and Montana. These deals will be financed out of the Leamo group's available funds.

Taken together with Leamo's existing U.S. business, including the joint exploration venture with Mopco in the Williston Basin of North Dakota, these deals will increase the value of Leamo's oil and gas production, assets and exploration acreage in the US to a total of about £55m.

Leamo's net production will immediately be increased to a level of over 2,000 barrels per day. Further increases in production of both oil and gas are expected.

Rediffusion Limited's offshore, Rediffusion Simulation, has acquired 20 per cent of the equity in a newly-formed computer graphics firm, Cambridge Interactive Systems (Products), for £125,000 cash. CIS (P) was established during 1981 to

CAPITAL MARKETS

Volvo of Sweden plans a one-for-five rights issue at 100kr, a share to raise kr.557.6m (about £53m). Group profit for 1981, after financial items, excluding Belvoir, rose to kr.1,410m, against kr.1,010m.

The Council of Europe formally launched its DM125 bond issue yesterday morning. The terms were a maturity of 10 years, priced at 95.5 per cent with a 10 per cent coupon. Managed by Berliner Handels and Finance Bank, the yield was 10 per cent. But in the quiet trading common to European markets, the bonds slipped about 1.2 points from the issue price to yield 10.2 per cent.

INTERNATIONAL COMPANIES

Merrill Lynch's securities commission receipts fell by 9 per cent in 1982 to \$922m (£493). The company said, however, that the drop in commission levels of 1980 was more than offset by substantial increases in every other major revenue category. It had sharp profit improvements in its government securities and international investment bank subsidiaries. The \$202.9m on revenues of \$3,020m in 1980.

Exxon Corporation's operating earnings declined by 13.2 per cent to \$5,520m (£2,952m) in 1981. The decline reflects the depressed petroleum and chemical markets Exxon has experienced since the first quarter of 1980.

Standard Oil of California, reporting a one per cent decline in 1981's net profits, said US petroleum earnings rose by 34 per cent, but foreign petroleum profits declined by 24 per cent. The US petroleum profits, which accounted for 52 per cent of worldwide total, were \$1,230m (£656m), against \$920m in 1980.

Foreign petrol earnings fell to \$926m from \$1,220m. Kaiser Aluminum has declared its regular quarterly dividend of 35 cents a share. This was despite expectations by some analysts that Kaiser might cut the dividend due to recent losses in its aluminum operations, which are expected to continue into 1982.

Kaiser's aluminum losses in the fourth quarter amounted to \$26m and were the main factor in the company reporting a fourth-quarter loss of \$16m. The loss, a deficit of 36 cents a share, compared with a profit of \$43m, or \$1.00 a share, the year before.

WALL STREET

New York, Jan 27. — Stocks were narrowly higher in moderate early trading and analysis said technical factors were the main factor behind trading. The Dow Jones industrial average was up about a point.

Michael Metz, of Oppenheimer and Co., said the market was still struggling to digest President Reagan's State of the Union address last night. "I think the market is reacting fairly well considering the disappointment over the speech."

Advances led declines by five to four and volume totalled some 11 million shares.

Florida for beginners Joseph Thompson, Southeast Bank's president, has only been here for a few weeks but he is already making a name for himself. He is all very different from the old Florida for beginners.

ROSS D. NEW APPOINTMENT... Peter Murrell is now chairman of the board.

Mr Alan R. Brown, vice president of the National Association of Manufacturers, is in addition to his duties as director of the Holiday Inn chain, has become a member of the board of directors of the Holiday Inn chain.

Mr. Hedgcock has been named managing director of the European division of the USA. Mr. Hedgcock has remained in the USA and has also remained in the USA.

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BUSINESS NEWS/FOCUS AND COMMENT

PEOPLE

More jobs for the girls?

Gina Connolly and Dorothy Venables have the job of getting more ladies appointed as non-executive directors. They are compiling a list of 100 women of "proven experience in a challenging field" which by the summer should be available to head-hunters and the like.

Ms Connolly is a consultant with Hay Management Consultants and Mrs Venables is in personnel. They are working on the project on behalf of the Fawcett Society, the group named after the suffragette Dame Millicent Fawcett, which has been campaigning for equality since 1866.

Ms Connolly tells me: "The number of non-executive directors being appointed is increasing quite considerably, but because they are appointed from the ranks of executive directors or from the old-boy network,



Director action: Gina Connolly and Dorothy Venables

the net is not catching women."

The two women have about 30 names so far. If you think you have another, you contact Gina Connolly, c/o The Fawcett Society, Farnell House, 5th floor, 25 Wilton Road, London SW1V 1LW.

Halbert's hand off the tiller

John Halbert, who in the early 1970s clinched a deal to supply the Mexicans with 31 patrol boats, is to go back on the road.

Halbert, 54, will stand down as chairman of ABTAM, the London-based



machine tools, ships and education equipment group, to set up deals in marine engineering.

He will become president of ABTAM, a non-executive director and an advisor to the parent company, Edward Williams Holdings. He will be succeeded as chairman by Edward Williams's chairman Brian Williams.

Halbert, former president of the Machine Tool Trades Association and adviser to British Shipbuilders on defence craft for export, says the market for patrol boats in fishery protection and coast-guard duties is holding up well.

Florida for beginners

Joseph Thompson, who is Southeast Bank's new man in London, has only had a few weeks here but already he has seen snow, railway strikes and a near-miss with the miners. It is all very different from life in sunny, scarcely-unionized Florida, where Southeast is the state's largest bank — but necessarily bad for business.

Thompson's priorities here is to find and finance the acquisition of property in the Sunshine State for British investors. Life has been so hectic for Thompson since he left Miami, however, that he has yet to find a British property for himself. "I've got a hotel and a suitcase," he told me yesterday.

ROSS DAVIES

NEW APPOINTMENTS

Sir Peter Murrell has been appointed vice chairman of M F North.

Mr Alan R. Brown, managing director and chief executive of Matthew Hall Mechanical Services, is, in addition, to become managing director and chief executive of Holliday Hall & Co. Mr Holliday is to become a non-executive director of Holliday Hall.

Lord Glendon of Midhope has been appointed to the board of Standard Telephones and Cables.

Mr Tim Hedgcock has been appointed managing director of International Thomson Business Press, the European division of International Thomson Business Press USA. Mr Hedgcock has relinquished the chairmanship of Computacut but remains on their board. He has also resigned from the board of Wigham Poland Holdings.

Mr Michel Dreux, who has completed 10 years as the Yorkshire Insurance Company's manager for France, has been appointed general manager for France.



Another 2 million jobs are needed by the mid-1980s, but companies have been holding back on investment.

German politicians give the jobs bandwagon another push

Peter Norman

Munich. The West German Government is committed to doing something about unemployment. But it is being forced into action that it does not really believe in and which it does not know how to finance.

The news earlier this month that unemployment had touched a 28-year-high of 1.7 million proved the catalyst that made some sort of government programme to deal with the problem inevitable. The figure had been forecast long in advance, just as it is assumed that by the end of this month the number on the dole will have risen to at least 1.9 million and that the dressed figure of two million jobsless will probably be reached in February.

But the pressure on the Government to act, stimulated by a six-month trade union campaign, built up as parliamentarians returned from their constituencies after Christmas and party strategists pointed to the four vitally important state elections due to take place this year.

Doubts may be harboured by Herr Helmut Schmidt, the Chancellor, Herr Hans Matzöfer, the Finance Minister, Dr Otto Graf Lambsdorff, the Free Democrat Economics Minister, and Herr Karl-Otto Pöhl, the president of the Federal Bank, but the bandwagon is rolling, pushed along by a highly competitive Bonn press corps that avidly picks up and regurgitates, without digesting, every hint and snippet of possible action emanating from the bureaucracies of the Government or the political parties.

All that can be said about the unemployment programme is that it is bound to disappoint in terms of size and is unlikely to have any significant short-term impact on Germany's jobless problem.

The call by Herr Heinz Oskar Vetter, head of the

German Trade Union Federation, for a DM50,000m (£11,500m) public spending programme spread over five years is a non-starter — and Herr Vetter knows this just as well as Chancellor Schmidt. West Germany, having pumped well over DM100,000m into the economy in tax cuts and job-creating programmes since the onset of the recession in 1974, simply has no more cash to spare.

Gone are the days when domestic economic and monetary policy could be conducted with a measure of autonomy. Although the German balance of payments may be improving, German interest rates are still governed by developments on the other side of the Atlantic.

The Federal Government believes that it cannot increase its net borrowing requirement above the DM26,500m budgeted for this year without risking a run on the mark and an increase in interest rates that would produce a vicious circle of greater economic slowdown and increased inflation. The upward movement of long-term bond yields in Frankfurt earlier this month as speculation grew about the possibility of increased borrowing substantiates this claim.

Nobody in the Bonn finance or economics ministries denies that there are projects that could be usefully undertaken to absorb some of the unemployed, even though the 1982 budget and the medium-term financial plan up to 1985 will channel more than DM26,000m into job-creating projects. The building industry is in deep recession, particularly that part normally employed by the public sector in projects such as road or underground railway building. The unemployment problem is aggravated by local authorities and state governments curtailing their investment spending at the same time as the Federal Government.

For a short while Herr Karl-Otto Pöhl, the Economics Minister, appeared to be toying with the idea of a state premium towards new investments carried out in the first half of 1982 that exceeded the average of the last three years. No sooner was this pump-priming idea publicised than he retreated, because it would have to be financed through an increase in value added tax and political support was not forthcoming.

Hans Matzöfer, the Finance Minister, also has a pet project for raising taxes and financing new jobs. He would like to raise petrol and

But the Government calculates that a 1 per cent rise in interest rates would add DM8,000m to the cost of industry and so outweigh the benefits that any programme financed through borrowing could produce.

Another problem is that companies have been holding back from investment in the hope that the Government might give way during the winter and produce new

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mineral oil taxes, arguing that it is necessary to keep these prices rising to reduce Germany's dependence on imported energy. But such ideas have been received with horror by other politicians of both coalition parties in an election year.

Another fund-raising idea that has been roundly rejected at Cabinet level was put forward by Herr Vetter. The trade unions, with the support of Social Democrat left wingers, wanted a jobs programme to be financed by a tax on higher incomes, a suggestion rejected on the grounds that it would curb industry's already weak propensity to invest.

It appears that the only way to raise funds will be to re-jig spending inside the existing budget. But this is a time and nerve consuming process. On past experience it is unlikely to yield more than a few hundred millions for a "fig leaf" programme, which would perhaps try to push a little more public money in the direction of small to medium-sized industries, aid young businesses and perhaps pay for some environmental improvements. Such a programme would be bound to attract criticism for being a minimal response to the problem of record unemployment. But government officials argue that in many ways it would be the correct response.

The German economy is in a very different state than at the beginning of the world recession when the Government believed that it was sufficient to pump in money to boost demand in place of that siphoned off by higher oil prices. Although it is still the strongest economy in Western Europe, it is having to face up to major structural challenges arising from a high level of costs at home, increased competition in world markets, particularly from the newly industrializing countries, and a rapid

growth in the labour force as the children of the 1960s baby boom complete their education.

Against the background of, at best, slow growth in the western industrialized world, government officials say that two million jobs must be created by the middle of the 1980s.

This is a daunting challenge that, officials say, can only be tackled through a medium-term strategy. Nobody quite knows what the medium-term strategy is, or if they do they are not saying it too loud. Alongside the established components that fit into any social democratic landscape — falling interest rates as the trade balance improves, a rejigging of working hours, moderation in wage settlements while not forcing a sharp drop in consumption — is the widespread belief that corporate profits must be allowed to rise. And they must rise sharply to create the investment on which a reduction in unemployment depends.

Although higher profits "for the bosses" have traditionally been a red rag to the trade union bull, there is a growing hope in Bonn Government circles that the message is sinking in with Herr Vetter and his colleagues. These people, after all, sit on the supervisory boards of German companies and cannot have been oblivious to the record 25 per cent drop in real corporate incomes that the Federal Bank says took place in 1980 and 1981.

Already some of the more progressive union leaders have suggested moving away from simple wage increases in the annual round of collective wage bargaining to seeking other benefits, such as greater worker participation in the productive assets of his or her company. Such a trend could get union leaders away from the annual confrontations over percentage wage increases that have resulted in higher costs and fewer jobs.

This spring's wage round should show whether the unions and industrial management are prepared to play their part in facing up to Germany's medium-term challenge.

If so, the politically induced job-creation programme that is keeping Germany's politicians fully employed, will be a worthwhile bit of window dressing to bolster the trade unions' prestige and reassure the public that Herr Sch. really is a Machter, a man who gets things done.

The banking system had to learn this with the passing of the 1979 Banking Act, which for regulatory purposes cannot give preferential treatment to the clearers, however much they might have wanted it. The Lloyd's insurance market is also having to come to terms with fundamental reform as, in a lesser way, are insurance brokers. If the proposals to control licensed dealers (published this month) are put into effect, licensed share dealers will also have to concede that the world has changed.

A great deal of the success or failure of the Gower proposals will depend on the fine print, the precise powers of the new self-regulatory bodies he proposes and the relationship between these bodies and the statutory authorities.

The trouble is that Professor Gower has spent too long clearly that he wants self-regulation in a rather wider statutory framework. City institutions, jealous of their independence, were unlikely to take kindly to that but it would be a pity if his generally constructive approach was discarded because of this.

Although the Government moved quickly in setting up its review of investor protection when a number of collapses threatened to black the name of investment management, this issue does not have high enough priority for the Government to give it special parliamentary attention so that any legislation is unlikely before next year at the earliest.

It will be much longer — and the possibility of tighter statutory controls that much greater — if the City deliberately stands in the way.

Business Editor
US policy still lacks conviction

Federal Reserve chairman Mr Paul Volcker has certainly taken some of the pressure off international interest rates with his hint on Tuesday that a rise in the discount rate was not on his immediate agenda. But the fact remains that President Reagan's State of the Union message coupled with Volcker's evidence to the Congressional joint economic committee scarcely add up to a consistent joint front that will dispel market fears for the medium term.

The President has indeed once again acknowledged the need to reduce the federal deficit in the years ahead. But he is not to raise taxes on consumers or cut back on defence expenditure, while shuffling certain budgetary items from federal to state agencies is bound to be taken as largely cosmetic.

In other words, supply side economics still appear to be the mainstay of the administration's approach to its goals. Its main concern was to point out that one way or another the Federal deficit fell back as the economy started to recover if there was not in due course to be a nasty crunch in credit markets.

His secondary aim was to hit back against critics who labelled the Fed a high interest rate institution that was largely responsible for the present recession. It was markets, not the Fed that determined the price of money, he suggested.

One might argue that ad infinitum. But the pre-eminence of markets, particularly United States markets, as the finest arbiters of interest rates was also theme of Mr Richard Petherbridge, managing director of Union Discount, when presenting the group's annual figures (see page 16) yesterday.

He had his doubts that the Bank of England, or other European central banks for that matter, could lead interest rates down independently of what was happening in the American markets. His own house's view of interest rates at the moment was "very cautious".

Barclays and NatWest say they will be keeping a close eye on the Co-op, though they have no immediate plans to follow suit. Midland is more specific saying it intends to launch a similar interest bearing current account, some time before the end of the year.

The surprise in yesterday's announcement from Co-op was the departure from the original plan of charging 18 to 20p for each cheque drawn. The flat service charge of £18 a year may well render the new account considerably less attractive than the Co-op's existing current accounts when interest paid on Cheque and Save declines.

If, for example, the national interest rate paid declines to 10 per cent, customers will have to keep an average credit balance of £257 in their account to qualify for free banking. This is considerably less attractive than the free banking while an account is in credit available on Co-op Bank's ordinary current accounts. Winning customers from its competitors might prove harder than expected.

This sort of meeting has

traditionally been held only at times of extreme crisis in the British industry, for example to draw up a "survival plan" that will prevent plant closure. If the NEBC can stimulate factory-wide discussion about industrial practice — not just industrial relations — it will have performed a service whose benefits will last long after the individual reports are forgotten.

A promising method is to send in an "ambassador" — a respected senior (usually retired) industrialist — to hold a company meeting at which all parts of the workforce are represented. That has been tried successfully by the food, drink and packaging machinery sector working party. All five of the meetings held so far have been the first "vertical slice" meeting ever held in the company!

Customers with a Cheque and Save account will be paid interest on their daily credit balance, currently at the rate of 10 per cent, though this will vary. But there will be a deduction of £1.50 a month as a flat service charge, irrespective of the number of cheques drawn.

The other high street banks claim that Co-op must be running Cheque and Save as a loss leader, but Terry Thomas is adamant that First Co-operative Finance, the subsidiary through which the account is launched, expects to make profits from the new account.

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Stirring up a hornets' nest

PERSPECTIVE: PROTECTING INVESTORS

By Ron Pullen

It is not clouded by doubts as to whether the system works. Everyone agrees that it does not. And that conclusion was reached long before the series of scandals last year which prompted the Government to review the legislation.

Five years ago the Department of Trade conceded that such a review was overdue when it published a consultation document on amendments to the 1958 Prevention of Fraud (Investments) Act. And the City long argued that the statutory controls were insufficient to cope with a securities industry that had grown significantly in the 1960s and 1970s.

So the key area for debate is whether the ad hoc mixture of statutory and self-regulatory controls administered by a host of different financial institutions can be patched up, reformed or somehow be made to work more effectively or whether it all has to be replaced.

Professor Gower's preference is for wholesale reform through a new Securities Act which would fundamentally redistribute the balance between self-regulatory agencies and Government bodies. However unwelcome that may be to institutions like The Stock Exchange, who may feel that they are able to look after themselves, past experience in other areas of the City suggests that the world has changed dramatically in the past 20 years and the old cosy structures are unable to cope with the new professional world.

The banking system had to learn this with the passing of the 1979 Banking Act, which for regulatory purposes cannot give preferential treatment to the clearers, however much they might have wanted it. The Lloyd's insurance market is also having to come to terms with fundamental reform as, in a lesser way, are insurance brokers. If the proposals to control licensed dealers (published this month) are put into effect, licensed share dealers will also have to concede that the world has changed.

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Eurotherm International Limited
Industrial electronic control and monitoring equipment for world markets

Preliminary Announcement

The unaudited results of Eurotherm International Limited for the year ended 31st October 1981 are set out below:

	Year ended 31st October 1981 £'000	1980 £'000
Historical Cost Accounts		
Sales		
U.K.	11,468	10,900
Overseas	16,128	13,934
	27,596	24,834
Profit before interest, exchange loss, taxation and minority interests	3,703	3,365
Gain/(Loss) on translation of foreign assets and liabilities	105	(184)
Profit before taxation, interest and minority interests	3,808	3,181
Interest	(539)	(775)
Profit before taxation and minority interests	3,269	2,406
Taxation - U.K.	(697)	(305)
- Overseas	(753)	(387)
Profit before minority interests	1,819	1,714
Minority interests	(68)	(20)
Net Profit	1,751	1,694
Dividend paid/proposed	(562)	(460)
Profit retained	1,189	1,234
Earnings per share	15.30p	14.84p

§ Forward bargains are permitted on two previous days.

[illegible]

Football

Three more players surplus to Bristol City's requirements

Bristol City, the third division club facing bankruptcy, have put three players on the transfer list today. The club are trying to get away, Terry Boyle, who joined them from Crystal Palace in the summer, is on the exchange deal which took Kevin Mabbitt to the London club, heads the list. The others are Hartford, joint top scorer with 10 goals, and the Swedish goalkeeper Moller.

City's acting manager Roy Hodgson, who has been in charge since last week, has not a clue as to the side he will field against Newport on Saturday. He will have to wait and see who is left.

Colchester United, of the fourth division, face a financial crisis after losing a battle with the local council. The club, who are pocketing £1,600 a week and with an overdraft of over £70,000, appealed to the council to lift a restrictive covenant on the Layer Road ground to enable them to go ahead with a £500,000 improvement plan.

The council, who last year rejected plans for a new all-seater stadium in a £15m shopping complex, rejected the appeal because the club have not repaid a £30,000 loan from 1974. Maurice Cadman, the club chairman, said that unless the covenant was lifted to allow commercial activities, Colchester's future could be in serious jeopardy.

Wrexham made another appeal to the Football Association yesterday to change their decision that clubs playing at home to Chelsea, in full-time matches, can be fined by the FA for selling tickets on the day of the games.

Norman Wilson, Wrexham's general secretary, said: "Despite the fact that the Chelsea fans were here on Tuesday night and the police instructed us to let them in through the turnstiles, we were inside the ground that locked out and left to roam the town."

From what I saw of them, these Chelsea followers were really kind, considerate and decent people. But I estimate we would have had up to 5,000 more spectators in the ground if people from this area had been allowed to turn up on the night and pay at the gate. This means that football lost about £100 at a time when it needs every penny."

Originally, to give themselves

an extra day for ticket selling, Wrexham arranged to meet Chelsea at the stadium on Tuesday but the FA pointed out yesterday that according to cup rules, the second replay must take place on Monday or Tuesday. If the fourth match is necessary it can be staged at Stamford Bridge next Thursday.

Stoke Legatic, a Brentford supporter, won his race to get the Toronto Blizzard's striker, Gordon Sweet, cleared in time for last night's third division match at Reading. Legatic, who works at London Airport, suffered Mr Davies' half time during a Southern Junior Floodlit Cup second round game

at Toronto.

Stoke City's manager John Toshack has been fined £200 by the Welsh FA for using foul and abusive language in the North Wales derby at Wrexham. Toshack was fined £100 for using foul and abusive language in the North Wales derby at Wrexham.

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United rely on the mobility of Stapleton

By Leslie Dunbar
Manchester United went to the top of the first division by beating West Ham United at the Trafford last night. The Red Devils, who were unbeaten in the winter after 72 minutes, United were plainly desperate to climb to the top of the League which the one remaining interest left for the city of Manchester now. West Ham, on the other hand, were probably out to prove their worth as the memory of Saturday's FA Cup defeat at Watford, although their side, Devonshire and the Scotman, Orl, making his debut, had a shuffling start.

In the opening minutes, however, sent over a perfect cross from deep on the right which was headed by the striker, who was scrambling to catch it. United were going into increasing their own attacking momentum which was managed to get a number of players forward without creating any danger. The game was a close-run thing, with the Manchester side almost under control.

Stapleton was perhaps the most mobile of the players, his speed and mobility taking him to the front of the attack, and he was a regular presence outside the area. But West Ham's defence was solid, and they were not to be taken in. The game was a close-run thing, with the Manchester side almost under control.

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Rugby Union

France takes to the guillotine to spoil Welsh record in Cardiff

By Peter West
Rugby Correspondent

When the French selectors use the guillotine they rarely take half-measures. For the Welsh international in Cardiff on Saturday night they have despatched all but one of the back division which played against New Zealand in November, and brought the number of changes to eight by selecting a 15-man team. The No. 6, Jean-Luc Jolani, is injured. Scott Blain is the only survivor behind the scrum, where six of the players had come from the region and the Southwest regional team which won the new provinces cup competition last year. The selectors, who took over at half-time from Gwyn Jones and Peter Verbeke, have a regular member of the France's championship team in 1978 and 79, Roland Barthelemy, who has been capped of all French players, has been selected to win a championship game in Cardiff (in 1958) will journey there as

francophone (Dix) and the No. 6, Jean-Luc Jolani, is injured. Scott Blain is the only survivor behind the scrum, where six of the players had come from the region and the Southwest regional team which won the new provinces cup competition last year. The selectors, who took over at half-time from Gwyn Jones and Peter Verbeke, have a regular member of the France's championship team in 1978 and 79, Roland Barthelemy, who has been capped of all French players, has been selected to win a championship game in Cardiff (in 1958) will journey there as

Grand Slam champions, though the teams have been somewhat tarnished by a defeat in Australia and then two more at the hands of Graham Mourie's All Blacks. But they will be encouraged by what happened to Wales in Dublin last weekend and to judge from the French selectors' enthusiasm for his new back division, one may expect the added influence of Rives to ensure that France expect to play for Scotland. With his club currently lying second in division two of the Scottish National League, both these ambitions are close to being fulfilled.

Scotland call Tukalo for France

Iwan Tukalo, whose father is Ukrainian and mother Italian, makes his international rugby debut for Scotland in the 5th International against France at Lyons on February 7. Tukalo, aged 20, born, bred and schooled in Edinburgh, and who regards himself as a fully fledged Scot, has scored five tries for his club, Royal High, this season. He admits to having two ambitions: to see Royal High promoted and to play for Scotland. With his club currently lying second in division two of the Scottish National League, both these ambitions are close to being fulfilled.

When perseverance paid

By Tom Coonan
Lancaster Univ 6 Bristol Univ 3

Lancaster University sprang one of the surprises of the UAU rugby season when they beat Bristol University yesterday. They needed extra time in which to do it, but perseverance paid. Davies, who had kicked the penalty goal which tied the score after 80 minutes, dropped a goal shortly after extra time started. The home supporters, who had been in the stands since the first whistle, were in a state of jubilation.

The winning score was a gift from Bristol. Their scrum half, Davies, was a regular member of the France's championship team in 1978 and 79, Roland Barthelemy, who has been capped of all French players, has been selected to win a championship game in Cardiff (in 1958) will journey there as

Chesworth was admirable

By Steve Elliot
Durham University 16

Durham University and Loughborough University have met a dozen times in recent years and there has never been more than a narrow margin between the two. UAU last year, in which Durham triumphed narrowly.

Loughborough contributed nothing to Durham's score. They had a kick charged down in the centre. Fullback Clough doubled on expertly and from a scrum almost on the losers' line the ball came out. There was a quick scrum and a drop goal. Boyd, who had kicked the penalty goal which tied the score after 80 minutes, dropped a goal shortly after extra time started. The home supporters, who had been in the stands since the first whistle, were in a state of jubilation.

Exeter find a platform on which to raise their spirits

By David Hanks
Exeter Univ 16

Exeter University sprang one of the surprises of the UAU rugby season when they beat Bristol University yesterday. They needed extra time in which to do it, but perseverance paid. Davies, who had kicked the penalty goal which tied the score after 80 minutes, dropped a goal shortly after extra time started. The home supporters, who had been in the stands since the first whistle, were in a state of jubilation.

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Tennis

Stricter code is promised after McEnroe verdict

John McEnroe will not escape so easily if he is punished for bad behaviour at Wimbledon, again this summer. The 22-year-old American has avoided paying a fine of £2,500 imposed by the All England Club, and let his racket do his talking. The club's disciplinary code of conduct was successful because a unanimous verdict was reached by the majority of the club's members. Fred Hoyle, the Wimbledon referee who was involved in McEnroe's arguments during last year's championship, is concerned about the decision. "Can justice really be seen to be done when the voting members are the opposite direction?" he asked. McEnroe, however, will find that the players' code of conduct has been tightened and that if he puts himself in a similar position after this year's Wimbledon championships, David Gray, Secretary of the Mary International Professional Tennis Council, which governs the grand prize tournaments, said: "For one thing, the need for a unanimous verdict in such an appeal has been done away with. In future, a majority decision will be sufficient."

Rowing

Four months ban upheld on Robertson and Rankine

By Jim Ralton
The Amateur Rowing Association council upheld the four months ban on the two Olympic rowers Robertson and Rankine at their quarterly meeting on Tuesday for "removing four special squad blades and four seats (rowing) from the ARA boat house at Hammer Smith at the beginning of August and retaining them until the equipment was recovered at the end of October". The equipment was recovered as a result of police action. The ARA had reported the equipment stolen. By coincidence, a man arrested after theft at London Rowing Club was questioned over the ARA equipment and was able to give information which led to the arrest of Robertson and Rankine. The ARA stressed in a press release yesterday, however, "The council wishes to make it absolutely clear that no question of theft on the part of the rowers is at issue. The ARA has been instrumental in having charges against the rowers dropped. I think everyone would agree that the rowers in question

Man who lets his racket do talking speaks up for Borg

From Bryan John
Delray Beach, Florida, Jan 27
Ivan Lendl decided fairly early in his career to follow the advice of his parents and the example of Bjorn Borg, and let his racket do his talking. The club's disciplinary code of conduct was successful because a unanimous verdict was reached by the majority of the club's members. Fred Hoyle, the Wimbledon referee who was involved in McEnroe's arguments during last year's championship, is concerned about the decision. "Can justice really be seen to be done when the voting members are the opposite direction?" he asked. McEnroe, however, will find that the players' code of conduct has been tightened and that if he puts himself in a similar position after this year's Wimbledon championships, David Gray, Secretary of the Mary International Professional Tennis Council, which governs the grand prize tournaments, said: "For one thing, the need for a unanimous verdict in such an appeal has been done away with. In future, a majority decision will be sufficient."

Golf

Breughel figures in Pacific landscape

From John Ballantine
La Jolla, California, Jan 27
Jack Nicklaus and Tom Watson fit sharply, like stately Breughel figures, into stately scenes of the Pacific landscape. The club's disciplinary code of conduct was successful because a unanimous verdict was reached by the majority of the club's members. Fred Hoyle, the Wimbledon referee who was involved in McEnroe's arguments during last year's championship, is concerned about the decision. "Can justice really be seen to be done when the voting members are the opposite direction?" he asked. McEnroe, however, will find that the players' code of conduct has been tightened and that if he puts himself in a similar position after this year's Wimbledon championships, David Gray, Secretary of the Mary International Professional Tennis Council, which governs the grand prize tournaments, said: "For one thing, the need for a unanimous verdict in such an appeal has been done away with. In future, a majority decision will be sufficient."

Skiing

[illegible]

The Nuneaton Flyer is cancelled

Yesterday saw the debate to which Oppositor MP's of all parties had been looking forward for more than two-and-a-half years, the one about the three million unemployed. But first some travel news: for the first time in three days, the Aslef-sponsored Mr. Leslie Hucklefield (Nuneaton, Lab), was cancelled yesterday.

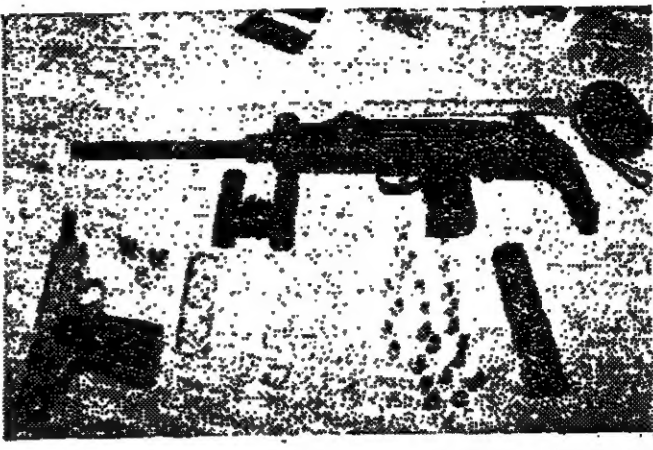
He, it may be remembered, is the Labour backbencher who keeps on getting up and saying "The Western Isles" in an emergency debate on the rail dispute, managing to get in a short speech in support of the Aslef case before being refused the debate by the Speaker. Throughout the dispute Aslef has, for various reasons, maintained this essential service. Mr. Hucklefield has puffed his way out of the backbenches at the end of question time. You could set your watch by him. But yesterday, come departure time, and we, the long-suffering public, were let down. No Hucklefield in sight. Had he allowed himself to be intimidated by Tory protests that he was abusing the caducus of the House? Or was it that, in a sharp escalation of its tactics in the dispute, Aslef was not even prepared to run its MP's? You will be kept informed.

Last night neighbours in Croydon described Mr. Arthur as a bodyguard and former heavyweight boxer, who specialised in security operations on transfers of jewelry and money. He was known for long trips abroad and last seen in November.

Weapons seized with Briton in New York

Scotland Yard last night said it had no knowledge of a Briton arrested by New York police who carried him "some kind of mercenary".

Paul Arthur, aged 27, who gave his address as Sandstead Road, Croydon, south London, was arrested after a car chase. Found in the car were a .38 Smith & Wesson Colt 45, 24 rounds of ammunition, a full clip of ammunition and a pair of binoculars.



Arthur, above centre, escorted by police, and below, the arms said to be in his possession.

Plans abandoned for compulsory health insurance

By Julian Haviland, Political Editor

The Government has abandoned any idea of introducing a compulsory health insurance scheme to increase the resources available to the National Health Service. Mr. Norman Fowler, Secretary of State for the Social Services, after examining a report on possible ways of financing health care, has decided to go no further with a reform which would have entailed a major administrative upheaval and encountered the hostility of the Labour Party.

The decision means that the NHS will continue to be mainly financed from general taxation. At present the proportion of its costs met from taxation is about 90 per cent.

The Conservative Party has for several years been actively interested in new ways of raising resources for health care. In 1976, Mr. Patrick Jenkin, the party's spokesman in opposition, suggested that there might be a link between the inadequacies of the NHS and Britain's only advanced country where patients "had to face the torments of the waiting list", and the fact that it was a highly centralized system, financed largely through taxation, which was free at the point of service.

insurance scheme, paying premiums in return for certain minimum benefits.

But the Royal Commission on the Health Service, which reported in 1979, opposed such a system. The commission said it would not itself lead to more resources being devoted to the health service; and that administrative costs could be high, with more forms to fill in and more people to handle them.

More damningly, the commission said that any insurance system would introduce a new principle: that a different standard of health care within the NHS would be available to those who chose to pay for it.

This argument has all along been conclusive for the Labour Party, who would not countenance any change which required people to pay for treatment as a matter of course, even if the payments were refunded from the insurance funds. A mistaken report that the Government was contemplating such a change provoked angry charges in the Commons last month when Mr. William Hamilton, Labour MP for Fife, Central, told the Prime Minister that any threat to the basic principles of the health service "would create a revolutionary situation".

Since his appointment last September, Mr. Fowler has shown himself wary of making a change which might encounter grave political difficulties, at a time when the government has enough of those, for questionable financial advantages. Most of his colleagues share his judgment.

Architects back down over fees

By Hugh Clayton

Leaders of the architectural profession surrendered yesterday to government pressure for changes in rules for fixing fees. The Royal Institute of British Architects published new draft rules which will allow limited price-cutting and abolish the present system, which obliges members always to charge according to the institute's fixed scale of prices.

Mr. Sally Oppenheim, Minister for Consumer Affairs, said the proposed changes would enable the Government to drop its threat to enforce reform. Mr. Patrick Harrison, Secretary of the institute, said: "Insofar as fees are subject to negotiation, it is likely that

it will reduce the income of the profession."

Mr. Owen Loder, president of the institute, said that the institute would not have gone so far if there had been no threat of legal enforcement. Our members have to face the political realities."

It is almost fourteen years since the former Prices and Incomes Board made the first in the present series of official complaints about the way architects' institutes obliges their members to charge a single scale of prices for each type of work.

The Monopolies and Mergers Commission made similar criticisms in 1977 after hearing of

resentment against the rigid fee system, which ruled out any element of bargaining about prices when architects were chosen. The institute agreed to move from mandatory to recommended price scales, but decided to campaign against price competition.

It tried last year to win the tacit support of Mr. Michael Heseltine, Secretary of State for the Environment, for its case that price competition among architects would lead to a deterioration in service, with a modern heritage of sub-standard buildings.

Mr. Oppenheim has accepted that competition should be

limited. A proposed new institute rule, approved by her, says that "a member who is offering services as an independent consulting architect shall not revise a fee quotation to take account of the fee quoted by another architect for the same service."

Mr. Harrison said that architects who broke the rule and tried to undercut excessively would receive "short shrift" from the institute. Mr. Loder said: "Enforcement is always difficult, but this will not be so difficult, because if this thing is not done fairly then someone who is involved and gets the wrong end of the stick will yell."

Secrets breach inquiry into dead PC's report

By Stewart Tendler, Crime Reporter

Thames Valley police are investigating a possible breach of the Official Secrets Act concerning a confidential police report. The report, dated 1979, described a programme which was never transmitted for legal reasons.

Some of the research was used later for an article in the New Statesman magazine in the summer of 1979, written by Mr. Scott. Police are concerned about the possible circulation of the report among journalists.

an interview with Mr. Fairweather. He was released without charge.

A spokesman for the television company said Mr. Scott was questioned about his journalistic researches for a programme which was never transmitted for legal reasons.

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THE TIMES INFORMATION SERVICE

Today's events

Royal engagements
The Prince of Wales, Patron, Transpore Expedition, attends reception to mark final stage of the expedition. The Observer, 8 St Andrew's Hill, EC4, 6.

Queen Elizabeth The Queen Mother visits St Paul's Church of England School, Cambridge, and opens new buildings, 3.

Exhibitions
The British Worker: photographs of working life, 1839-1939.

Carlisle Museum and Art Gallery, 9 to 5.
Paper and Plastics—jewellery made from paper and plastic. Arncliffe, Narrow Quay, Bristol, 11 to 6.

Japanese Art of the Edo Period, 1600-1868, exhibition to complement the Great Japan Exhibition Part II, Ashmolean Museum, Oxford, 10 to 4.

Any Wabul: portrait screen-print, Gloucestershire College of Arts and Technology, Cheltenham, 9.30 to 6.

Photographs by Freddie Reed.

Octagon, Midson Street, Bath, 10 to 4.45.
Paintings by Jack Smith, Michael Johnson, Sue Smith and Helen Wilks. Bridge Street, Bath, 12.30 to 5.30.

17th to 19th century Japanese art, Adeane Gallery, 10 to 4.30.

Original rags and carpets, English and Continental furniture, 9 to 2.30.

Christie's, King Street, English pictures, 9.15 to 12.15.

European ceramics, 9.15 to 12.15.

Oriental works of art, 9.15 to 12.15.

Art Nouveau and Art Deco, 9.15 to 4.30.

Phillips, Blenheim Street, Spoons, 9 to 10.30; silver and plate, 9 to 4.30.

Sodbury, Bond Street, Furniture, glass, English porcelain, musical instruments and prints, 9.30 to 4.30.

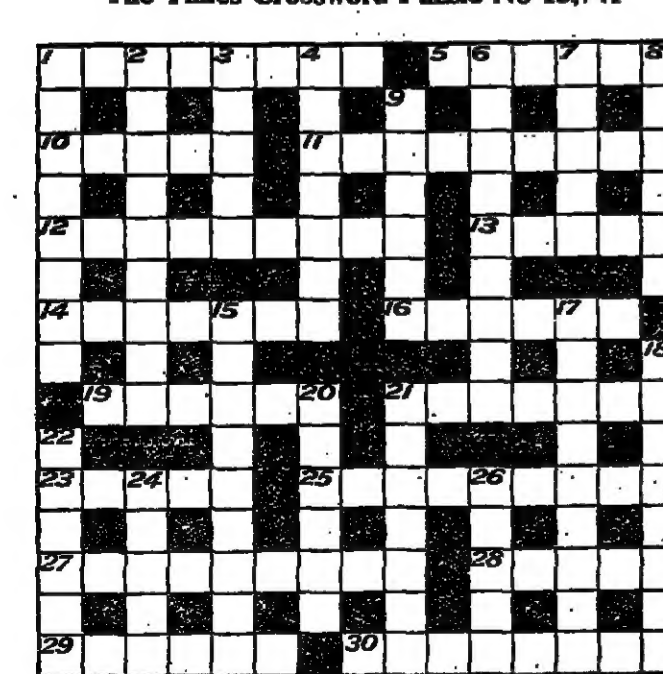
Sodbury's, Regent's Park, Furniture, 9.30 to 4.30.

Talks, lectures
The Appalachian Trail, illustrated lecture by John Merrill, Central Library, Le Mans Crescent, Bolton, 7.30.

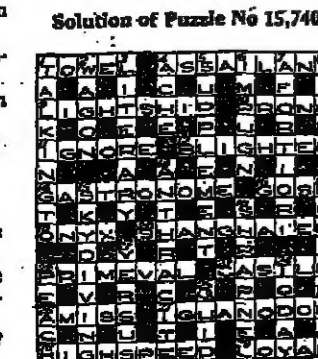
Music
Concert, Lumina Ensemble, Turner Sims Concert Hall, Southampton University, 8.

Violin recital, Jane Hooley, St. Mary-le-Bow, Cheapside, EC3, 1.5.

The Times Crossword Puzzle No 15,741



- ACROSS**
- Judicial type of instrument (8)
 - Kate died knowing this (6)
 - Study hard, consuming energy, that's the best (5)
 - Clergyman's stipend dishonest, we hear? (9)
 - The lion or unicorn as a football fan (9)
 - Ways out from the stage (5)
 - Article may be quite odd (7)
 - Ghost seen to perform in small wood (6)
 - Show displeasure in bar—the monkey! (6)
 - Hence wife would share cost (2,5)
 - Manoeuvre near a battlefield (6)
 - Simple little quarrel with action man (9)
 - So frightened by Medusa (3)
 - Aggregate at base of column (5)
 - Transgress and get a commission (6)
 - Checks extent of steps taken (8)
- DOWN**
- Exotic transport puts strain on author (8)
 - Pascal concerned with the length of this "needlo-woman's" nose (9)
 - Lover makes rings sound me? Right first time (5)



Auction viewings

Bonhams, Monmouth Street: Jewels and objects of vertu, 9 to 4; Oriental and general ceramics and works of art, 9 to 3.30.

Christie's, King Street: English pictures, 9.15 to 12.15.

European ceramics, 9.15 to 12.15.

Oriental works of art, 9.15 to 12.15.

Art Nouveau and Art Deco, 9.15 to 4.30.

Phillips, Blenheim Street: Spoons, 9 to 10.30; silver and plate, 9 to 4.30.

Sodbury, Bond Street: Furniture, glass, English porcelain, musical instruments and prints, 9.30 to 4.30.

Sodbury's, Regent's Park: Furniture, 9.30 to 4.30.

The Pound

	Bank	Bank	Bank
Australia \$	1.77	1.77	1.77
Austria Sch	31.90	29.90	31.90
Belgium Fr	85.25	81.25	85.25
Denmark Kr	11.64	13.94	11.64
France Fr	11.45	10.55	11.45
Germany DM	4.51	4.26	4.51
Italy Lr	128.00	119.00	128.00
Hong Kong \$	11.30	10.70	11.30
Ireland P	1.17	1.22	1.17
Japan Y	245.00	235.00	245.00
Netherlands Gld	4.94	4.68	4.94
South Africa R	2.04	1.89	2.04
Spain Ptas	164.00	154.00	164.00
Sweden Kr	10.95	10.11	10.95
Switzerland Fr	3.63	3.41	3.63
USA \$	1.92	1.85	1.92

The papers

The Daily Mirror says "If Mrs Thatcher is to make the U-turn that will rescue the economy, she will have to start twisting the steering wheel this morning."

The Frankfurter Rundschau, commenting on Britain's economic policy, says lack of success has made the Government unsure of itself. "Its steps are marked by uncertainty which the Government calls flexibility."

The Daily News of New York says Reagan's "new federalism" will work the greatest revolution in American government since the New Deal—if he can bring it off. "It will require the active cooperation of states and cities, or it won't fly."

Travel: Rail, road, sea, air

Rail

No trains today: no overnight trains tonight. No very early trains tomorrow, and delays and cancellations likely, especially in the morning. For times of first trains call station inquiries, or pre-recorded message on 01-246 8030.

Emergency parking

Emergency car parks for private vehicles open all week while rail disruption continues. In London: Victoria Park, Regent's Park, St James's Park, Victoria Park, Hackney, Dulwich Park, Peckham Rye, Finsbury Park, and others. For NCP space availability, call 01-499 7057.

Accommodation

The London Tourist Board has made special arrangements to help workers to book hotels in the city: call 01-730 3450 before 5.30 tonight for bookings over a range of hotels or book direct to the tourist board, 100 Victoria Street, London, W1B 1ET. For National Tourist Information Centre, Victoria Station, from 9 am to 8.30 pm.

Air

SAS flights resumed to and from Copenhagen, but services not expected to be back to normal until tomorrow.

Pre-recorded air travel information on 01-246 8032.

Airport buses

Regular services to and from Gatwick (Flightline 777) from Victoria Station, hourly and every 20 minutes during rail strike, takes about 70 mins; Luton (Flightline 757) from Victoria Station, hourly, takes about 40 mins; Heathrow (Flightline 757) from Victoria Station, hourly, takes about 40 mins.

National Express Air-Coaches run regular services to Heathrow and Gatwick from many provincial centres: also to some regional airports. Details from accredited travel agents, National Bus Company offices, or call 01-730 0202.

Anniversaries today

Births: Henry VII, Pembroke Castle, 1457; John Baskerville, printer and geographer, Worcester, 1705; Henry Morton, Denbigh, 1841; Charles George Gordon, general, Woolwich, 1833; Desha's 75; Henry VIII, London, 1547; Sir Francis Drake, of Porto Bello, Panama, 1595; William Butler Yeats, Roquebrune-Cap-Martin, France, 1939.

Postal delays

Because of the rail strike, mail may be slightly delayed.

Parliament today

Commons (2.30): Debate on Opposition motion on failure of Government's economic policy.

Lords (3): Social Security (Contributions) Bill, Committee.

Weather

Frontal troughs over the NW will move SE.

6 am to midnight

London, SE England, & Aquila: Mainly dry, with intervals, becoming cloudy with rain; wind S, fresh to strong, increasing to gale force NW, max temp 5 to 7°C (39 to 45°F).

Central S, Central N, & England, Midlands, SE, & Wales: Mainly dry, with rain, increasing to gale force NW, max temp 5 to 7°C (39 to 45°F).

SW England, Wales, Lake District: Cloudy, with rain, increasing to gale force NW, max temp 5 to 7°C (39 to 45°F).

North: Mainly dry, with rain, increasing to gale force NW, max temp 5 to 7°C (39 to 45°F).

Central S, Central N, & England, Midlands, SE, & Wales: Mainly dry, with rain, increasing to gale force NW, max temp 5 to 7°C (39 to 45°F).

Lighting up time

London 5.12 pm to 7.14 am
Birmingham 5.22 pm to 7.23 am
Edinburgh 5.37 pm to 7.44 am
Manchester 5.45 pm to 7.50 am
Preston 5.59 pm to 7.51 am

Yesterday

Temperatures at midday yesterday: °C, cloud, & rain: S, 12; SE, 11; E, 10; C, 9; N, 8; NW, 7; W, 6; SW, 5; S, 4; SE, 3; E, 2; C, 1; N, 0; NW, -1; W, -2; SW, -3; S, -4; SE, -5; E, -6; C, -7; N, -8; NW, -9; W, -10; SW, -11; S, -12; SE, -13; E, -14; C, -15; N, -16; NW, -17; W, -18; SW, -19; S, -20; SE, -21; E, -22; C, -23; N, -24; NW, -25; W, -26; SW, -27; S, -28; SE, -29; E, -30; C, -31; N, -32; NW, -33; W, -34; SW, -35; S, -36; SE, -37; E, -38; C, -39; N, -40; NW, -41; W, -42; SW, -43; S, -44; SE, -45; E, -46; C, -47; N, -48; NW, -49; W, -50; SW, -51; S, -52; SE, -53; E, -54; C, -55; N, -56; NW, -57; W, -58; SW, -59; S, -60; SE, -61; E, -62; C, -63; N, -64; NW, -65; W, -66; SW, -67; S, -68; SE, -69; E, -70; C, -71; N, -72; NW, -73; W, -74; SW, -75; S, -76; SE, -77; E, -78; C, -79; N, -80; NW, -81; W, -82; SW, -83; S, -84; SE, -85; E, -86; C, -87; N, -88; NW, -89; W, -90; SW, -91; S, -92; SE, -93; E, -94; C, -95; N, -96; NW, -97; W, -98; SW, -99; S, -100; SE, -101; E, -102; C, -103; N, -104; NW, -105; W, -106; SW, -107; S, -108; SE, -109; E, -110; C, -111; N, -112; NW, -113; W, -114; SW, -115; S, -116; SE, -117; E, -118; C, -119; N, -120; NW, -121; W, -122; SW, -123; S, -124; SE, -125; E, -126; C, -127; N, -128; NW, -129; W, -130; SW, -131; S, -132; SE, -133; E, -134; C, -135; N, -136; NW, -137; W, -138; SW, -139; S, -140; SE, -141; E, -142; C, -143; N, -144; NW, -145; W, -146; SW, -147; S, -148; SE, -149; E, -150; C, -151; N, -152; NW, -153; W, -154; SW, -155; S, -156; SE, -157; E, -158; C, -159; N, -160; NW, -161; W, -162; SW, -163; S, -164; SE, -165; E, -166; C, -167; N, -168; NW, -169; W, -170; SW, -171; S, -172; SE, -173; E, -174; C, -175; N, -176; NW, -177; W, -178; SW, -179; S, -180; SE, -181; E, -182; C, -183; N, -184; NW, -185; W, -186; SW, -187; S, -188; SE, -189; E, -190; C, -191; N, -192; NW, -193; W, -194; SW, -195; S, -196; SE, -197; E, -198; C, -199; N, -200; NW, -201; W, -202; SW, -203; S, -204; SE, -205; E, -206; C, -207; N, -208; NW, -209; W, -210; SW, -211; S, -212; SE, -213; E, -214; C, -215; N, -216; NW, -217; W, -218; SW, -219; S, -220; SE, -221; E, -222; C, -223; N, -224; NW, -225; W, -226; SW, -227; S, -228; SE, -229; E, -230; C, -231; N, -232; NW, -233; W, -234; SW, -235; S, -236; SE, -237; E, -238; C, -239; N, -240; NW, -241; W, -242; SW, -243; S, -244; SE, -245; E, -246; C, -247; N, -248; NW, -249; W, -250; SW, -251; S, -252; SE, -253; E, -254; C, -255; N, -256; NW, -257; W, -258; SW, -259; S, -260; SE, -261; E, -262; C, -263; N, -264; NW, -265; W, -266; SW, -267; S, -268; SE, -269; E, -270; C, -271; N, -272; NW, -273; W, -274; SW, -275; S, -276; SE, -277; E, -278; C, -279; N, -280; NW, -281; W, -282; SW, -283; S, -284; SE, -285; E, -286; C, -287; N, -288; NW, -289; W, -290; SW, -291; S, -292; SE, -293; E, -294; C, -295; N, -296; NW, -297; W, -298; SW, -299; S, -300; SE, -301; E, -302; C, -303; N, -304; NW, -305; W, -306; SW, -307; S, -308; SE, -309; E, -310; C, -311; N, -312; NW, -313; W, -314; SW, -315; S, -316; SE, -317; E, -318; C, -319; N, -320; NW, -321; W, -322; SW, -323; S, -324; SE, -325; E, -326; C, -327; N, -328; NW, -329; W, -330; SW, -331; S, -332; SE, -333; E, -334; C, -335; N, -336; NW, -337; W, -338; SW, -339; S, -340; SE, -341; E, -342; C, -343; N, -344; NW, -345; W, -346; SW, -347; S, -348; SE, -349; E, -350; C, -351; N, -352; NW, -353; W, -354; SW, -355; S, -356; SE, -357; E, -358; C, -359; N, -360; NW, -361; W, -362; SW, -363; S, -364; SE, -365; E, -366; C, -367; N, -368; NW, -369; W, -370; SW, -371; S, -372; SE, -373; E, -374; C, -375; N, -376; NW, -377; W, -378; SW, -379; S, -380; SE, -381; E, -382; C, -383; N, -384; NW, -385; W, -386; SW, -387; S, -388; SE, -389; E, -390; C, -391; N, -392; NW, -393; W, -394; SW, -395; S, -396; SE, -397; E, -398; C, -399; N, -400; NW, -401; W, -402; SW, -403; S, -404; SE, -405; E, -406; C, -407; N, -408; NW, -409; W, -410; SW, -411; S, -412; SE, -413; E, -414; C, -415; N, -416; NW, -417; W, -418; SW, -419; S, -420; SE, -421; E, -422; C, -423; N, -424; NW, -425; W, -426; SW, -427; S, -428; SE, -429; E, -430; C, -431; N, -432; NW, -433; W, -434; SW, -435; S, -436; SE, -437; E, -438; C, -439; N, -440; NW, -441; W, -442; SW, -443; S, -444; SE, -445; E, -446; C, -447; N, -448; NW, -449; W, -450; SW, -451; S, -452; SE, -453; E, -454; C, -455; N, -456; NW, -457; W, -458; SW, -459; S, -460; SE, -461; E, -462; C, -463; N, -464; NW, -465; W, -466; SW, -467; S, -468; SE, -469; E, -470; C, -471; N, -472; NW, -473; W, -474; SW, -475; S, -476; SE, -477; E, -478; C, -479; N, -480; NW, -481; W, -482; SW, -483; S, -484; SE, -485; E, -486; C, -487; N, -488; NW, -489; W, -490; SW, -491; S, -492; SE, -493; E, -494; C, -495; N, -496; NW, -497; W, -498; SW, -499; S, -500; SE, -501; E, -502; C, -503; N, -504; NW, -505; W, -506; SW, -507; S, -508; SE, -509; E, -510; C, -511; N, -512; NW, -513; W, -514; SW, -515; S, -516; SE, -517; E, -518; C, -519; N, -520; NW, -521; W, -522; SW, -523; S, -524; SE, -525; E, -526; C, -527; N, -528; NW, -529; W, -530; SW, -531; S, -532; SE, -533; E, -534; C, -535; N, -536; NW, -537; W, -538; SW, -539; S, -540; SE, -541; E, -542; C, -543; N, -544; NW, -545; W, -546; SW, -547; S, -548; SE, -549; E, -550; C, -551; N, -552; NW, -553; W, -554; SW, -555; S, -556; SE, -557; E, -558; C, -559; N, -560; NW, -561; W, -562; SW, -563; S, -564; SE, -565; E, -566; C, -567; N, -568; NW, -569; W, -570; SW, -571; S, -572; SE, -573; E, -574; C, -575; N, -576; NW, -577; W, -578; SW, -579; S, -580; SE, -581; E, -582; C, -583; N, -584; NW, -585; W, -586; SW, -587; S, -588; SE, -589; E, -590; C, -591; N, -592; NW, -593; W, -594; SW, -595; S, -596; SE, -597; E, -598; C, -599; N, -600; NW, -601; W, -602; SW, -603; S, -604; SE, -605; E, -606; C, -607; N, -608; NW, -609; W, -610; SW, -611; S, -612; SE, -613; E, -614; C, -615; N, -616; NW, -617; W, -618; SW, -619; S, -620; SE, -621; E, -622; C, -623; N, -624; NW, -625; W, -626; SW, -627; S, -628; SE, -629; E, -630; C, -631; N, -632; NW, -633; W, -634; SW, -635; S, -636; SE, -637; E, -638; C, -639; N, -640; NW, -641; W, -642; SW, -643; S, -644; SE, -645; E, -646; C, -647; N, -648; NW, -649; W, -650; SW, -651; S, -652; SE, -653; E, -654; C, -655; N, -656; NW, -657; W, -658; SW, -659; S, -660; SE, -661; E, -662; C, -663; N, -664; NW, -665; W, -666; SW, -667; S, -668; SE, -669; E, -670; C, -671; N, -672; NW, -673; W, -674; SW, -675; S, -676; SE, -677; E, -678; C, -679; N, -680; NW, -681; W, -682; SW, -683; S, -684; SE, -685; E, -686; C, -687; N, -688; NW, -689; W, -690; SW, -691; S, -692; SE, -693; E, -694; C, -695; N, -696; NW, -697; W, -698; SW, -699; S, -700; SE, -701; E, -702; C, -703; N, -704; NW, -705; W, -706; SW, -707; S, -708; SE, -709; E, -710; C, -711; N, -712; NW, -713; W, -714; SW, -715; S,